



**Notice of Meeting of the Port Commission of the
Port of Corpus Christi Authority of Nueces County, Texas, on
Tuesday, July 19, 2016, at 9:00 AM
At the Solomon P. Ortiz International Center
402 Harbor Drive, Corpus Christi, Texas**

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Sherry DuBois at 885-6174 at least 48 hours in advance so that appropriate arrangements can be made.

Si usted se dirige a la junta y cree que su inglés es limitado, habrá un intérprete inglés español en la reunión de la junta para ayudarle.

Members of the audience will be provided an opportunity to address the Port Commission. Please speak into the microphone located at the podium and state your name and address. Your presentation will be limited to three minutes.

PUBLIC NOTICE is given that the Commission may go into executive session at any time during the meeting to discuss matters listed on the agenda when authorized to do so by the provisions of Section 418.183 or Chapter 551 of the Texas Government Code. In the event the Commission elects to go into executive session regarding any agenda item, the presiding officer will publicly announce the section or sections of the Texas Government Code authorizing the executive session.

- 1. CALL TO ORDER**
- 2. SAFETY BRIEFING**
- 3. PLEDGE OF ALLEGIANCE**
- 4. INVOCATION**
- 5. RECEIVE CONFLICT OF INTEREST AFFIDAVITS**
- 6. MINUTES**
 - 6.a. Approve the minutes of the June 21, 2016 Commission meeting.
[06 - Minutes.docx](#)
- 7. PUBLIC COMMENT (Each speaker is limited to three minutes.)**
- 8. RECEIVE REPORT FROM SECURITY COMMITTEE**

9. RECEIVE REPORT FROM AUDIT COMMITTEE

10. RECEIVE REPORT FROM LONG-RANGE PLANNING COMMITTEE

11. PRESENTATIONS

- 11.a. Receive progress report from Del Richardson & Associates on the Hillcrest Voluntary Real Estate Acquisition and Relocation Program.

[11a - DRA Update - 1-Preso.pdf](#)

12. OPEN AGENDA

- 12.a. Receive and approve PCCA's 2016 Investment Policy and Investment Strategies.

[12a - Investment Policy - 1-Memo.docx](#)

[12a - Investment Policy - 2-Policy.pdf](#)

[12a - Investment Policy - 3-Resolution.docx](#)

- 12.b. Approve revision to Tariff 100-A, Item 673, Port Police Land & Marine Patrol Divisions.

[12b - Tariff Item 673 - Port PD - 1-Memo.docx](#)

[12b.pdf](#)

[12b - Tariff Item 673 - Port PD - 3-Tariff Clean.docx](#)

- 12.c. Authorize staff to issue a Request for Proposals for Professional Services for environmental inspections and plans and demolition contract administration related to properties acquired by the PCCA under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program.

[12c - Hillcrest Env RFP - 1-Memo.docx](#)

[12c - Hillcrest Env RFP - 2-Map.pdf](#)

- 12.d. Approve a consulting agreement in the amount of \$85,934.00 with Moffatt & Nichol, the lowest and best proposer for proposals received on June 10, 2016, for a Bulk Terminal Market Study.

[12d - MoffatNichol - Bulk Terminal Study - 1-Memo.docx](#)

[12d - MoffatNichol - Bulk Terminal Study - 2-Contract.pdf](#)

- 12.e. Award a Master SAAS Subscription and Services Terms and Conditions Agreement with Intelx Technologies Inc. to Provide an Environmental, Health and Safety Software Platform Solution.

[12e - Intelx Subscription - 1-Memo.docx](#)

[12e - Intelx Subscription - 2-Proposal Evaluation.pdf](#)

[12e - Intelx Subscription - 3-Cost Comparison.pdf](#)

[12e - Intelx Subscription - 4-Terms & Conditions.pdf](#)

- 12.f. Approve an amendment to the contract with Del Richardson & Associates Inc. adjusting insurance requirements for professional real estate appraisal services.

[12f - DRA Amendment - 1-Memo.docx](#)

[12f - DRA Amendment - 2-Amdmt.docx](#)

- 12.g. Approve a construction contract in the amount of \$2,949,830.00 with Shoreline Foundation Inc., the lowest and best bidder based on bids received on July 8, 2016, for construction of the La Quinta Aquatic Habitat Mitigation Phase II project.

[12g - La Quinta Mitigation Ph 2 - 1-Memo.docx](#)

[12g - La Quinta Mitigation Ph 2 - 2 -Map.pdf](#)

[12g - La Quinta Mitigation Ph 2 - 3-Bid Tab.pdf](#)

13. CONSENT AGENDA

- 13.a. Approve a Service Order in the amount of \$20,717.00 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, for engineering services associated with the installation of the AEI readers project.

[13a - Coast-Harbor Eng - AEI Readers - 1-Memo.docx](#)

[13a - Coast-Harbor Eng - AEI Readers - 2-Map.pdf](#)

- 13.b. Approve Professional Services Master Agreement No. 10-16 and Service Order No. 1 in the amount of \$30,870.00 with Platinum Environmental Solutions, LLC, for environmental consulting services related to completion of an Affected Property Assessment Report at the PCCA La Quinta property.

[13b - Platinum MA-SO - 1-Memo.docx](#)

[13b - Platinum MA-SO - 2-Agmt.pdf](#)

- 13.c. Approve funds in an amount Not to Exceed \$50,000.00 for Port-wide temporary staffing needs, including the Hillcrest Voluntary Real Estate Acquisition and Relocation Program

[13c - Temp Staff - 1-Memo.docx](#)

- 13.d. Approve an Easement Agreement with Martin Operating Partnership, LP, for a 24-inch pipeline from their Oil Dock 15 lease site to their 10-acre terminal facility lease site.

[13d - Martin PL Easement - 1-Memo.docx](#)

[13d - Martin PL Easement - 2-Map.pdf](#)

[13d - Martin PL Easement - 3-Summary.pdf](#)

[13d - Martin PL Easement - 4-Easement.pdf](#)

- 13.e. Approve the purchase of a CASE SR130 skid steer loader in the amount of \$27,746.00 from Nueces Power Equipment using government pricing from the State of Texas Buy Board Cooperative Purchasing Program.

[13e - CASE Loader Purchase - 1-Memo.docx](#)

14. STAFF/COMMISSION COMMENTS

- 14.a. Receive report from the Executive Director on upcoming community events, PCCA events and activities of the following PCCA departments during the preceding month—Safety, Community Relations, Communications, Government Affairs, Business Development, Foreign Trade Zone, Ortiz Center, Human Resources, Security, Operations, Engineering Services, Finance, Real Estate, and Environmental.

[14 - EDR.pdf](#)

- 14.b. Receive comments from Port Commissioners on any of the agenda items for this meeting, the PCCA's activities during the preceding month, upcoming PCCA events, and suggestions for future agenda items.

15. EXECUTIVE SESSION

- 15.a. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.

[15a - Executive Session - No Attachment.docx](#)

- 15.b. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property on the north side of the Ship Channel.

[15b - Executive Session - No Attachment.docx](#)

- 15.c. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect for certain real property in San Patricio County, Texas. The Commission may action on this item in open session.

[15c - Executive Session - No Attachment.docx](#)

16. ADJOURN

**OFFICIAL MINUTES OF PORT COMMISSION MEETING
JUNE 21, 2016**

The Port Commissioners of the Port of Corpus Christi Authority convened at the Solomon P. Ortiz International Center, 402 Harbor Drive, Corpus Christi, Texas, on Tuesday, June 21, 2016, at 8:00 a.m., for the regular monthly meeting of the Port Commission.

Present: Mr. Charles Zahn
Mr. Wayne Squires
Ms. Barbara Canales
Mr. David P. Engel
Mr. Richard Valls
Mr. Richard L. Bowers
Mr. Wes Hoskins

Present: Mr. John P. LaRue
Mr. Sean Strawbridge
Mr. Jarl Pedersen
Mr. Darrin Aldrich
Ms. Rosie Collin
Mr. Dennis DeVries
Mr. Tyler Fuhrken
Ms. Sarah Garza
Mr. David Krams
Mr. Ruben Medina
Ms. Sandra Terrell-Davis
Ms. Nelda Olivo
Mr. Tom Mylett
Ms. Lynn Angerstein
Ms. Audre Debler
Mr. Sam Esquivel
Mr. Brett Flint
Ms. Donna James-Spruce
Mr. John Slubar
Mr. Dan Koesema
Ms. Angela Leyva
Ms. Sonya Lopez
Mr. Dave Michaelson
Ms. Maggie Turner
Ms. Roxana Gomez
Mr. Eddie Martinez
Ms. Leslie Ruta
Mr. Bennie Benavides
Ms. Sonya Budilo
Ms. Natasha Fudge

Ms. Peggy Mettlen
Ms. Jennifer Powell
Mr. Jesse Samu
Ms. Pamela Mota

Others Present:

Mr. Leo J. Welder, Jr.
Mr. Dane Bruun

Others Present:

Mr. Bob Paulison
Port Industries
Mr. Joe Guzman
Robstown Area EDC
Mr. Terry Arnold
Consultant
Mr. Xavier Valverde
G&H Towing
Ms. Sue Zimmermann
Consultant
Mr. Thomas Moore
Consultant
Ms. Rose Cornelius Crawford
Citizens Alliance
Mr. Chris Ramirez
Caller-Times
Mr. Scott Harris
LAH, Inc.
Ms. Carol Scott
Kailo Communications
Ms. Joy Sheridan
Mr. Mike Wike
CGBM
Mr. Fred Nardini
San Patricio County
Mr. Roger TenNapel
Flint Hills Resources
Ms. Ann Figrova
Ms. Del Richardson
Ms. Susana Mastl
DMC SBDC
Mr. Ronald Benglund
RIDC
Mr. William Goldston
ACCC
Mr. Frank Brogan
Consultant

Mr. Rick DuPriest
WL Bates
Mr. Fred Dotts
Ms. Nancy Zuniga
MDL
Ms. Jeanette Ross

I.

Chair Zahn called the meeting to order and asked for conflict of interest affidavits to be submitted. None were submitted.

II.

On motion made by Mr. Bowers and seconded by Mr. Squires, the Commission approved the minutes of May 17, 2016, Commission meeting in the form presented to the meeting.

III.

The Commission held a workshop to discuss procurement methods for goods and services and related matters. The workshop was for informational purposes only and no action was taken.

IV.

The Chair asked for comments from the public. Representatives from Del Mar College thanked the Port for its support of their Small Business Development Center.

V.

The Commission received committee reports from the following Commission committees: a) Security; b) Audit; and (c) Long-Range Planning.

VI.

The Commission received a report from Del Richardson & Associates Inc. on the Hillcrest Voluntary Real Estate Acquisition and Relocation Assistance Program.

VII.

The Commission received a report on the Industrial Desalinization Project for Corpus Christi, Texas.

VIII.

The Commission received a presentation from staff on the PCCA's Hurricane Preparedness Program and on motion made by Mr. Squires and seconded by Mr. Hoskins, the following resolution was approved by the Port Commission:

**RESOLUTION OF THE PORT COMMISSION
PORT OF CORPUS CHRISTI AUTHORITY, OF NUECES COUNTY, TEXAS
GRANTING EMERGENCY SPENDING AUTHORITY
TO THE EXECUTIVE DIRECTOR
FOR PRE-READINESS AND POST-STORM RECOVERY
HURRICANE EXPENDITURES**

WHEREAS, the Atlantic Hurricane Season begins June 1st and ends November 30th of each year; and

WHEREAS, the Port of Corpus Christi (the "Port") is located along the Gulf of Mexico and is at risk to damage caused by a hurricane; and

WHEREAS, the Port has in place Hurricane Readiness and Recovery Plan that outlines the necessary pre-readiness actions to be taken in preparation of a hurricane impacting the Port as well as post-storm recovery actions to be taken after the hurricane has passed; and

WHEREAS, these actions may require the emergency purchase of unbudgeted items to preserve or protect the public health and safety of the residents of the district or to preserve the property of the district in the event of a public calamity;

NOW, THEREFORE, BE IT RESOLVED THAT the Port Commissioners, acting pursuant to Section 60.4035j, Texas Water Code, to preserve or protect the public health and safety of the residents of the district and to preserve the property of the district in the event of a public calamity do hereby authorize the Executive Director of the Port to make emergency purchases in an amount that exceeds \$50,000, if necessary, for pre-readiness actions and post-storm recovery efforts by the Port in accordance with the Port's Hurricane Readiness and Recovery Plan; and

BE IT FURTHER RESOLVED THAT the Executive Director shall notify the Port Commission electronically of any purchase made pursuant to this Resolution not later than 48 hours after the purchase is made and shall give the Port Commission a detailed report of the purchase at the next Commission meeting.

IX.

The Commission received a quarterly update from the Corpus Christi Regional Economic Development Corporation.

X.

On motion made by Mr. Bowers and seconded by Mr. Valls, the Commission awarded a purchase contract in the amount of \$807,888 to EMCO Wheaten USA Inc., the lowest and best bidder based on bids received June 14, 2016, for the purchase of (a) two 12-inch diameter hydraulically operated loading arms for public Oil Dock 15 to be delivered within 240 calendar days, and (b) one 8-inch diameter manually operated loading arm for public Oil Dock 15 to be delivered within 300 calendar days, and granted to the Director of Engineering Services a 5% contingency allowance for change orders to cover any minor change in the scope of work during the manufacturing phase of the Loading Arms.

XI.

On motion made by Mr. Bowers and seconded by Mr. Valls, the Commission approved payment of tipping fees to the U.S. Army Corps of Engineers (or a reimbursement payment to Martin Operating Partnership L.P., for payment of such tipping fees) in an amount not to exceed \$291,600 for placement of up to 120,000 cubic yards of dredge material (using the maximum rate of \$2.43 per CY) into Dredge Material Placement Areas 1, 2 and/or South Shore Dredge Material Placement Area, Cell B, to support dredging associated with construction of Public Oil Dock 15.

XII.

On motion made by Mr. Valls and seconded by Mr. Bowers, the Commission approved a reimbursement payment to Martin Operating Partnership, L.P., in the amount of \$62,900 for Oil Dock No. 15 dredge disposal permit fees required by the U.S. Army Corps of Engineers.

XIII.

The Commission then discussed the advisability of making repairs to the portion of the Tule Lake Lift Bridge fendering system which had been damaged by a barge allusion. Port counsel advised the Commission that this work would be exempt from competitive bidding, per Section 60.412(3) of the Water Code, as this work is in response to unforeseen damage to PCCA property. Then on motion made by Mr. Valls and seconded by Ms. Canales the Commission awarded a Construction Contract, to Russell Marine, LLC in the amount of \$263,300 for installation of interim fendering in the vicinity of the damaged east wingwall portion of the south fender system located between the remaining bridge primary substructures of the Tule Lake Bridge and the ship channel, and granted the Director of Engineering Services a 9% contingency in accordance with the PCCA's standard contingency guidelines for marine and rehabilitation projects. These repairs are to be constructed on an expedited basis.

XIV.

On motion made by Ms. Canales and seconded by Mr. Engel, the following resolution was approved by the Port Commission:

**RESOLUTION APPROVING A
LOCAL TRANSPORTATION PROJECT ADVANCE FUNDING AGREEMENT
FOR CONSTRUCTION OF MIKE CARRELL ROAD**

WHEREAS, the Port of Corpus Christi Authority of Nueces County, Texas (“the PCCA”), and the State of Texas entered into a Master Agreement for transportation projects dated March 12, 2002; and

WHEREAS, this Master Agreement allowed the PCCA to act as project manager for such projects as the Joe Fulton International Trade Corridor and the Nueces River Rail Yard; and

WHEREAS, the PCCA has experience with road construction projects, is familiar with the site, and has completed large projects on an accelerated schedule before; and

WHEREAS, existing and new customers will required road access to Oil Dock 14; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number 114491 that provides for the development of, and funding for, construction of the Mike Carrell Road; and

WHEREAS, a Local Transportation Project Advance Funding Agreement (“Advance Funding Agreement”) for this project between State of Texas, acting through the Texas Department of Transportation (“TxDOT”), and the PCCA has been presented to the Port Commission.

WHEREAS, The PCCA desires to enter into the Advance Funding Agreement for the construction of the Mike Carrell Road project;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PCCA, that the Advance Funding Agreement, in substantially the form presented before this meeting, is hereby approved and the Executive Director is hereby authorized and directed, for and on behalf of the PCCA, to sign the Advance Funding Agreement with such changes therein as shall be approved by the Executive Director, his execution thereof to constitute evidence of such approval.

XV.

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved a change order with Russell Marine, LLC, for the Oil Dock 14 project in the amount of \$418,400 to provide the installation of approximately 12,500 SF of articulation concrete block revetment along the east ship slip shoreline and provide a concrete drainage channel outfall structure. This change order includes an increase in the completion time of the project by 60 calendar days.

XVI.

On motion made by Ms. Canales and seconded by Mr. Squires, the Commission approved a Professional Engineering Services Contract with HDR Engineering, Inc., in an amount of \$119,500 to address final design and construction phase services for the Oil Dock 14 project and the final design and contract document preparation for the Mike Carrell Road, with not-to-exceed amounts as described below:

- a) Record Drawings cost not to exceed - \$27,000
- b) Design services cost not to exceed - \$34,500
- c) Mike Carrell Road Project Design services cost not to exceed - \$58,000

XVII.

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved the PCCA's 25% cost-share payment of \$158,897.60 to the U.S. Army Corps of Engineers for geotechnical borings and analysis associated with the design of levee improvements at Dredge Material Placement Areas 8, 10, and 13. The Commission asked staff to share the results of the borings and analysis with the Commission.

XVIII.

On motion made by Ms. Canales and seconded by Mr. Hoskins, the Commission approved the Fifth Modification of Lease Agreement between the Port of Corpus Christi Authority and Corpus Christi Terminal Railroad Inc. in the form presented to the meeting. The purpose of the amendment is to 1) clarify which railroad tracks are subject to the lease, and 2) increase the rent payable under the lease by an amount equal to a certain percentage of the switching fees earned by CCTR for switching railcars stored on the Authority's tracks not leased to CCTR.

XIX.

Item **D** was removed from the Consent Agenda to be acted upon separately. Then, on motion made by Mr. Bowers and seconded by Mr. Squires, Items **A, B, C, E, F, G, H and I** on the Consent Agenda were approved by one vote, in accordance with the

respective staff recommendations furnished to the Commission at the meeting. These items were as follows:

- A.** Award a construction contract to RTSO Services LLC in the amount of \$205,251.30, the lowest and best bidder based on bids received on May 26, 2016, for the installation of two AEI readers.
- B.** Approve an increase in a professional services contract with Burns & McDonnell Transportation Inc. in the amount of \$28,000 for additional engineering services associated with the removal of the Tule Lake Lift Bridge foundation.
- C.** Approve a professional engineering services contract with Naismith Engineering Inc. in the amount of \$51,760 for engineering services associated with the 2016 roadway and parking lot repairs at Oil Dock 1 and Avery Point Road serving Oil Docks 3, 4, 7 and 11.
- E.** Approve two easement and right-of-way agreements with AEP Texas Central Company for the installation of electrical service drops at 4234 and 6522 Joe Fulton International Trade Corridor.
- F.** Approve an easement and right-of-way agreement with AEP Texas Central Company for the installation of underground electrical service for 6701 Joe Fulton International Trade Corridor.
- G.** Approve a professional services contract with SolkaNavaTorno, LLC, in the amount of \$73,200 for architectural and engineering services associated with the design of roof, wall, and overhead door replacement, upgrades, and repairs to the 162,000-square-foot Cargo Dock 9 Transfer Facility.
- H.** Approve a First Amendment and Supplement of a professional engineer services contract with Alan Plummer Associates Inc. for additional design services in the amount of \$11,988.
- I.** Approve purchase of three servers from Dell and one EMC SSAN, two Cisco switches and VMware software from Sigma in the total amount of \$220,410.36 with a PCCA match of \$55,102.59 as part of the Security Equipment Upkeep project (Security Grant 14)

After discussing Item **D** on the Consent Agenda, upon motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved a service order with LNV Inc., in the amount of \$68,845, under Professional Services Master Agreement No. 13-07, for engineering services associated with repairs and upgrades to the Kay Bailey Hutchison Road.

XX.

The Executive Director submitted his report on upcoming community events, PCCA events and activities of the following PCCA departments during the preceding month – Safety, Community Relations, Communications, Government Affairs, Business Development, Foreign Trade Zone, Ortiz Center, Human Resources, Security, Operations, Engineering Services, Finance, Real Estate, and Environmental.

XXI.

Mr. Zahn asked for comments from Port Commissioners.

At 11:37 a.m., Mr. Zahn announced that the Commission would go into executive session pursuant to §551.072 and §551.087 of the Texas Government Code to deliberate agenda items 22, 23, 24, 25, 26 and 27.

At 12:58 p.m. the Commission reconvened into open session.

XXII.

The Commission deliberated the purchase and value of certain lots on the south side of the Inner Harbor in closed session. In open session, on motion made by Mr. Squires and seconded by Mr. Engel, the Commission approved the purchase of the following lots in Corpus Christi, Texas, on terms and conditions acceptable to the Executive Director, so long as the total purchase price for all the lots does not exceed \$30,000:

Hillcrest Subdivision Lots 3 & 4 Block 35
Hillcrest Subdivision Lots 9 & 10 Block 35
Hillcrest Subdivision East 80'x75' of Lots 1 Thru 3 Block 28
Hillcrest Subdivision Lots 6 Thru 9 Block 18
Hillcrest Subdivision Lots 1 Thru 3 Block 17
Hillcrest Subdivision Lots 3 & 4 Block 15
Citizens Subdivision Lots 15 Bk 2
Citizens Subdivision Lots 16 Bk 1
Nueces Bay Heights Subdivision Lots 13 Block 6
Nueces Bay Heights Subdivision Lots 25 Thru 28 Block 6
Shoreline Park Subdivision Lot 5 Block 1

XXIII.

This item was for executive session only: Deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.

XXIV.

This item was for executive session only: Deliberate the purchase and value of certain real property on the north side of the Ship Channel.

XXV.

This item was for executive session only: Deliberate (i) leasing certain PCCA real property on the north side of the Inner Harbor, and (ii) offering financial or other incentives to a business prospect that PCCA is encouraging to locate on the north side of the Inner Harbor and with which PCCA is conducting economic development negotiations.

XXVI.

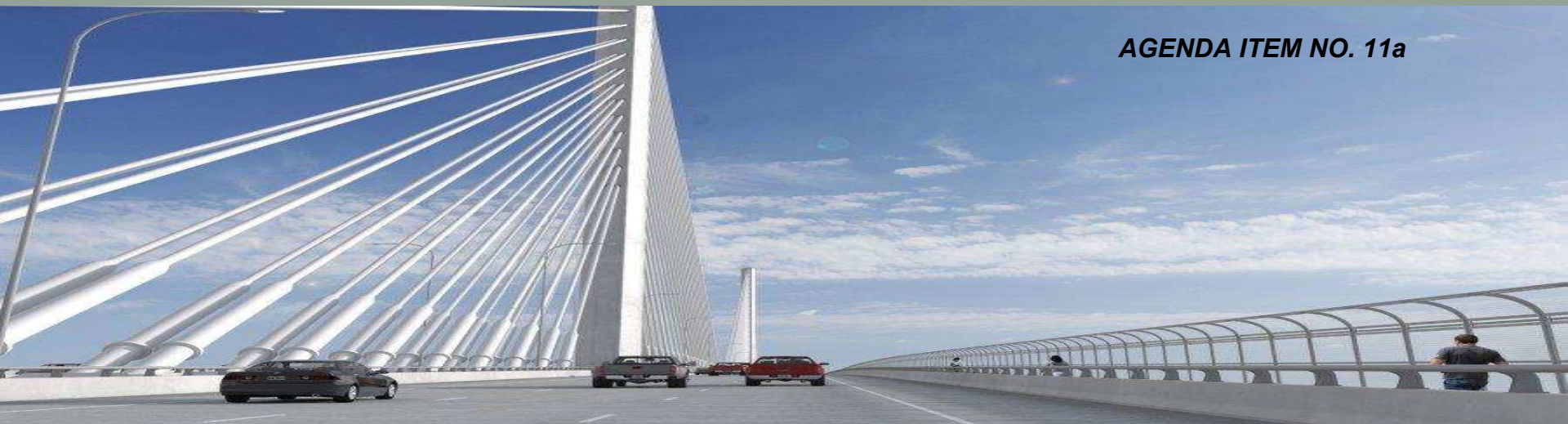
This item was for executive session only: Deliberate leasing certain PCCA real property on the north side of the Ship Channel.

XXVII.

This item was for executive session only: Deliberate leasing certain PCCA real property on the south side of the Inner Harbor.

XXVIII.

There being no further business, the meeting adjourned at 1:00 p.m.



Hillcrest / Washington – Coles Voluntary Real Estate Acquisition & Relocation Program

July 19th 2016 Commissioners meeting

Field Office Open House



May 7th Letter Update

Total Parcel Count – 544

Initial Number of Parcels – 541

Additional Confirmed Parcels – 3

Certified Return Receipts Received – 381

Letters Returned Not Delivered – 38

Returned Letters Resolved – 5

Title Information Requested

Titles Request – 132

Titles Reports Received – 103

Appraisal Information

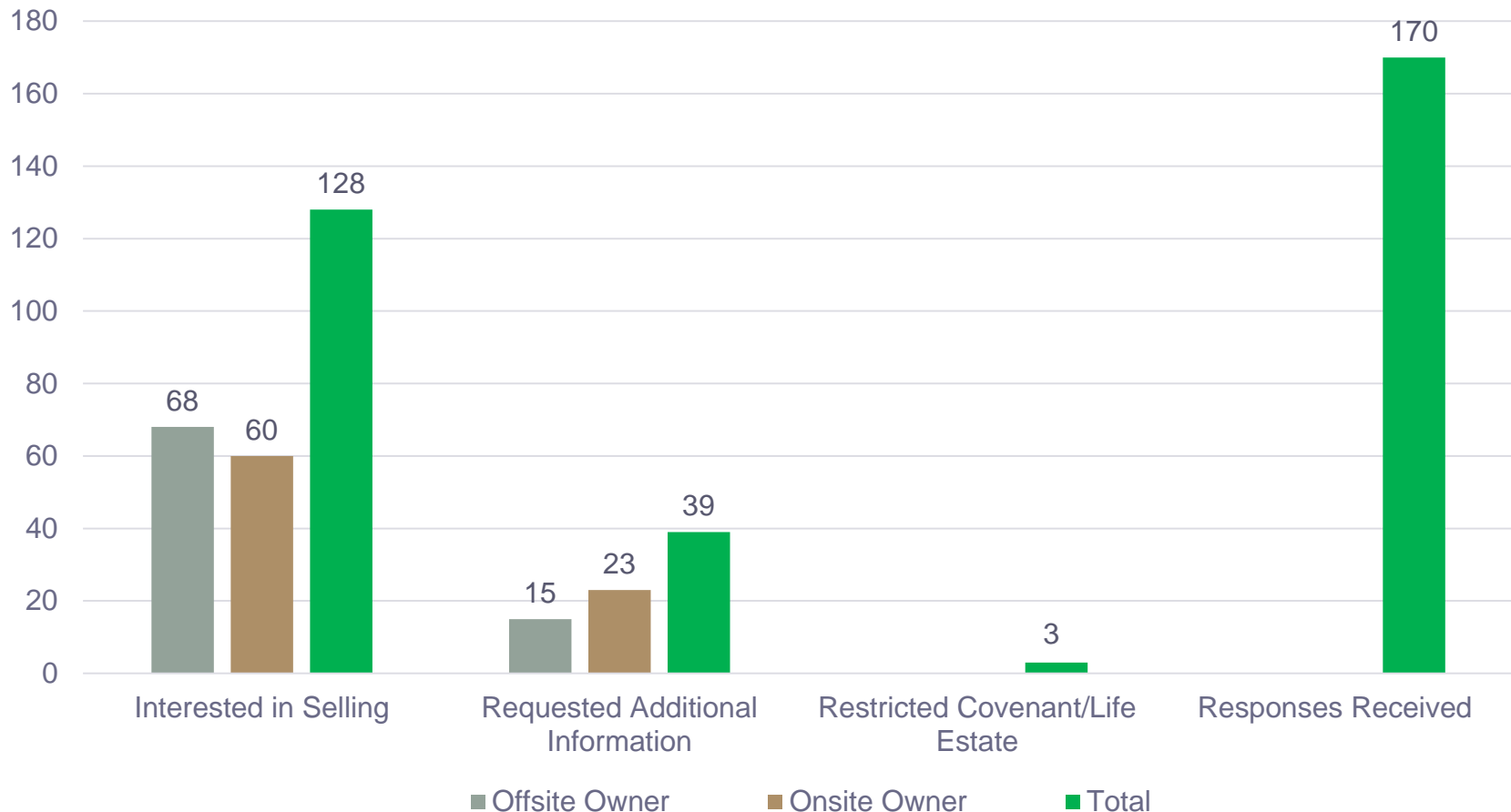
Appraisal Requested - 21

Appraisals Completed - 0

As of 7/11/2016

May 7th Letter Update continued

Letter Response Detail



As of 7/11/2016

Community Outreach Events

Past Workshops

- June 10: Corpus Christi Appraiser On-boarding
- June 13: City of Corpus Christi – 1st Time Home Buyers
- June 14: Nueces County Tax Appraiser
- June 21: Owners who rent/lease their Hillcrest Home
- June 23: Cass Realty – Home Buyers “Making a Purchase”

Upcoming Workshops:

- July 14: Budgeting Basics
- July 19: City Liaison services
- July 21: Understanding, Building, Repairing, And Managing Your Credit
- July 26: The ABC's of Appraisals

Community Workshops



As expected, the attendance at the June workshops (approximately 83) were lower than at the general information workshops held in May (approximately 146), however interest was high in the subject matters discussed.

Overall post workshop evaluations indicated that the workshops held scored an average of 4 on a scale of 1 to 5 with 5 being the highest.

Feedback from the June events helped to establish July events. Several of the June²⁰ workshop attendees requested more information on City services, the appraisal process and credit repair.

Next Steps

- Confirm eligibility of willing program participants
- Contact non-respondents
- Continue to order appraisals
- Identify comparable housing
- Initiate relocation interviews with owners

DATE: July 19, 2016
TO: Port Commission
FROM: Dennis J. DeVries
dennis@pocca.com
361 885-6139

AGENDA ITEM NO. 12.a

**Receive and Approve PCCA's 2016 Investment Policy
and Investment Strategies**

SUMMARY: Under the terms of the Public Funds Investment Act (Act) and PCCA's Investment Policy (Policy), the Port Commission is required to review the Policy and the investment strategies contained in it not less than annually. Following this review, the Port Commission is supposed to adopt a resolution (a) confirming that it has reviewed the Policy and the investment strategies in it, and (b) specifying any changes to be made to PCCA's current investment policy or investment strategies. A resolution which fulfills the foregoing requirements is included with this memorandum.

BACKGROUND: Section 2256.005(e) of the Act reads as follows: "The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies."

ALTERNATIVES: None.

CONFORMS TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the PCCA's 2016 Investment Policy as revised, including the investment strategies contained in the Policy, by the adoption of the resolution regarding the Policy included with this memorandum.

DEPARTMENTAL CLEARANCES:

Originating Department	Finance Department
Reviewed & Approved	Dennis J. DeVries
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
Commission	Audit Committee

LIST OF SUPPORTING DOCUMENTS:

2016 Investment Policy
Resolution Related to Review of Investment Policy and Investment Strategies



INVESTMENT POLICY

(July 2016)

Port of Corpus Christi Authority of Nueces County Texas



Investment Policy

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Investment Policy

I. INTRODUCTION

The goal of the Port of Corpus Christi Authority's (Authority) Investment Policy is the safety of all funds of the Authority, the availability of those funds for the payment of all necessary obligations of the Authority, and to provide for the investment of all funds, not immediately required, in securities earning a reasonable market yield.

II. PURPOSE

This Policy provides the guidelines by which the Authority will provide protection for its principal and liquidity, while receiving the highest reasonable market yield in accordance with its objectives. This Policy complies with the provisions of the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, hereinafter referred to as the "Act", as amended. The Act is found online at <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2256.htm>

The Investment Committee and Port Commission must approve any modifications to, and shall review and adopt this Policy, not less than annually.

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of that person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

III. SCOPE

This Policy applies to the investment activities of all funds of the Authority, except those that are not managed by the Authority. This Policy will also apply to the funds of non-profit corporations established by Resolution of the Port Commission which act as instrumentalities of the Authority. The investment of bond proceeds and other bond funds (including debt service and reserve funds) shall be governed and controlled by this Policy, the respective bond resolutions and provisions of the IRS Code, including all regulations and rulings promulgated there-under applicable to the issuance of tax-exempt obligations. It is the policy of the Authority that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with the Act, Federal Laws and Regulations, requirements of bond documents for Authority bond issues, and this Policy.

This Policy shall be presented to anyone offering to sell the Authority an investment and those with management/advisory responsibility for any Authority funds to assure that the goals and guidelines are followed.

IV. INVESTMENT OBJECTIVES

The Authority's overall objectives, in order of priority, shall be: safety of principal, liquidity, diversification, and yield.

Safety

The primary objective of the Authority's investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses, whether they are from security defaults, safekeeping, or erosion of market value. All investments will be of high quality securities with no perceived default risk.



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Liquidity

The Authority's investment portfolio shall be structured to meet all expected obligations. This shall be achieved by matching investment maturities with forecasted cash flow liabilities and maintaining additional liquidity for unexpected liabilities. Liquidity shall also be protected by investing in high-credit quality securities with active secondary markets. Short-term investment pools, money market mutual funds and depository accounts may be used to provide daily liquidity or utilized as a competitive yield alternative to fixed maturity investments.

Diversification

The Authority's portfolio shall be diversified by market sector and maturity in order to avoid over concentration in any market sector or issuer. Diversification minimizes the risk to the overall investment portfolio of potential losses on individual securities and enhances overall safety. Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated needs of the Authority.

Yield

Attaining a competitive market yield within portfolio restrictions is the objective. The primary benchmarks for the Authority's portfolio shall be the six-month and one-year U.S. Treasury securities, designated for its comparability to the Authority's expected average cash flow pattern, and allowing for liquidity needs of the Authority. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies. A secondary objective will be to obtain a yield equal to or in excess of the state's local government investment pool.

It must be recognized that portfolio yields always lag market rates during periods of changing interest rates because existing portfolio investments must mature before re-investment at new rates.

The Authority shall avoid any transactions that might impair public confidence in the Authority's ability to govern effectively. The Authority recognizes that in diversifying the portfolio, occasional measured unrealized losses due to market volatility are inevitable, and must be considered within the context of the overall Portfolio. The prudence of investment decisions shall be measured in context of the entire portfolio (2256.006(b)).

V. INVESTMENT STRATEGY

Regardless of market conditions, to fulfill the objectives of the Authority the investment strategy for operating funds has as its primary objective that anticipated cash flows are matched for adequate liquidity. A liquidity buffer, with funds invested no more than three months, will be maintained for unanticipated needs. A secondary objective is to create an investment portfolio that will experience minimal volatility during economic cycles.

Funds which are not anticipated for operational purposes will be invested to capture available market yield within policy parameters. The investment strategy for these funds is designed to generate revenue with a low degree of volatility and market risk. Market conditions and interest rate forecasts will largely determine the dynamic portfolio structure of these funds.

To accomplish this strategy the Authority will purchase high credit quality, short to medium-term investments with active secondary markets that complement each other and provide liquidity and diversification. The maximum dollar weighted average investment maturity (WAM) of the total portfolio shall be 365 days or less and calculated using the stated final maturity dates of each investment.



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Effective cash management is recognized as essential to good fiscal management and to maximize investment interest as a viable and material revenue source. Cash management is defined as the process of managing monies to maximize cash availability and yields on all funds. It encompasses the processing from invoicing to collection and the flow of funds from receipt through expenditure. The Authority shall maintain an active cash management program that includes collection of accounts receivable on a timely basis, timely vendor payments in accordance with invoice terms, and prudent investment of its all funds.

The Authority has a proactive “buy and hold” portfolio strategy. Maturity dates are matched with anticipated cash flow requirements as necessary and investments are purchased with the intent to be held until maturity. However, securities may be sold before they mature if market conditions present an opportunity for the Authority to benefit overall from the trade. Securities may be sold for the following reasons:

- A security with declining credit may be sold early to minimize the risk of loss of principal;
- A security swap would improve the quality, yield or target duration in the portfolio and result in a positive horizon value of the swap;
- Liquidity needs of the portfolio require that the security be sold.

The Authority may commingle funds in one portfolio for investment purposes while addressing the unique characteristics of the funds represented in the portfolios. The overall portfolio will have a maximum weighted average maturity of 365 days to address the needs of all represented funds.

- a. **Operating Funds** must meet anticipated cash flow needs with adequate investment liquidity. This may be accomplished by purchasing high credit quality securities matched to known liabilities in a laddered structure. Based on a fiscal year, these funds would normally have a weighted average maturity of 6-9 months.
- b. **Funds Available for Investment** do not have immediate liquidity needs and therefore have as their primary objective the generation of incremental income through safe medium term investments. The funds are normally invested longer than one year to capture reasonable yield.

VI. RESPONSIBILITY AND CONTROL

A. Delegation of Authority

Investment Officers

In accordance with Section 2256.005(f) of the Act, the Port Commission will designate by resolution the Director of Finance and Chief Accountant of the Authority as the Investment Officers responsible for the investment of the Authority’s funds. The authority granted to the Investment Officers is effective until rescinded by the Port Commission or until termination of the person’s employment by the Authority. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the investment activities of Authority. No person may engage in an investment transaction except as provided under the terms of this Policy.

The Port Commission may contract with a SEC registered investment management firm to provide for the investment and management of funds under its control. The investment adviser(s) in the investment management firm are considered to be the Investment Officer(s) of the Authority. The initial contract made under authority of this subsection may not be for a term longer than two years (2256.003(b)), and the Port Commission must approve any renewal or extension of such contract with any term. Authority



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granted to invest the Authority's funds is effective until rescinded by the Port Commission or until expiration of the contract with the Authority.

In the administration of the duties of an Investment Officer, the Investment Officer(s) shall exercise the judgment and care, under prevailing circumstances that a prudent person would exercise in the management of the person's own affairs, but the Port Commission of the Authority retains ultimate responsibility as fiduciaries of the assets of the Authority. Unless authorized by law or resolution of the Commission, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the Authority.

Investment Committee

An Investment Committee, consisting of three Port Commission appointees shall meet at least quarterly with the Director of Finance and any other designated Investment Officers to review operational strategies and to monitor investment results. The Investment Committee shall include in its deliberation the following topics: economic outlook, portfolio diversification, maturity structure, risk, and performance of the portfolio(s) and other topics at the discretion of the Committee.

The Investment Committee will review quarterly reports and will, on no less than an annual basis, review and adopt the list of authorized broker/dealers and training providers. The Committee will annually review the Policy and recommend changes to the Commission.

Port Commission

The Port Commission has the ultimate fiduciary responsible for the investment of Port Authority assets. It is required by the Act to:

- Designate Authority Investment Officers by resolution,
- Adopt the Investment Policy and Strategy at least annually,
- Review and adopt the broker/dealer list at least annually,
- Review quarterly investment reports, and
- Provide for training of investment officers.

Investment Advisers

Any Investment Adviser contracted by the Authority is required to comply with this Policy in all transactions.

B. Training

Investment Officers must obtain training in accordance with Section 2256.008 of the Act. The Investment Officers shall attend at least one ten-hour investment training session within twelve months of taking office or assuming duties and receive not less than ten hours of instruction relating to investment responsibilities every succeeding fiscal two years. The training provider must be an independent source. The following are organizations currently approved by the Authority's Investment Committee for providing this training:

Government Finance Officers Association
 Government Finance Officers Association of Texas
 Government Treasurers Organization of Texas
 Association of Public Treasurers US&C



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Texas Municipal League
University of North Texas, Center for Public Management
Patterson & Associates

If the Investment Officer desires to attend an investment-training seminar presented by another organization or on-line for training credit, the Investment Committee must approve such training.

C. Internal Control

An internal control structure shall be established and maintained by the Director of Finance to protect the assets of the Authority from loss, theft or misuse. The structure should recognize that (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Accordingly, the Authority shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures and the Act.

D. Prudence

The standard of prudence to be used by the Investment Officers shall be the "Prudent Person Rule", as set forth in Section 2256.006 of the Act and will be applied in the context of managing the overall portfolio:

"Investments shall be made with judgment and care under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Investment Officers acting in accordance with written procedures and this Policy and exercising due diligence do not have personal liability for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

E. Ethics and Conflict of Interest

Investment Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Investment Officers and employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Investment Officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the Authority.

Anyone involved in investing Authority funds shall file with the Authority and Texas Ethics Commission a statement disclosing any personal or business relationship and any material financial interest in a business organization that handles Authority investments.

Any Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the Authority shall file a statement disclosing that relationship with the Port Commission and the Texas Ethics Commission.



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VII. AUTHORIZED INVESTMENTS

Assets of the Authority may be invested in only the following instruments as authorized and further defined by the Act.

1. Obligations of the US Government, its agencies and instrumentalities with a maximum stated maturity of three-years, excluding mortgage backed securities.
2. Fully insured or collateralized depository certificates of deposit issued by banks doing business in Texas collateralized in accordance with this Policy, under the terms of a written agreement, and with a maximum stated maturity of one year.
3. Fully collateralized repurchase agreements with a defined termination date secured in accordance with this Policy and placed with a primary securities dealer. All repurchase agreement transactions shall be governed by an executed Bond Market Association Master Repurchase Agreement. The maximum stated maturity shall be 90 days except for bond fund flex repurchase agreements, which will match expenditure plans on the bond funds.
4. AAA-rated, Local Government Investment Pools which strive to maintain a \$1 net asset value and as defined by the Act and specifically approved by resolution of the Port Commission.
5. A SEC registered Money Market Mutual Fund whose assets consist exclusively of obligations of the US Treasury, its agencies or instrumentalities and repurchase agreement backed by those securities and which strive to maintain a \$1 net asset value.
6. Fully insured and collateralized interest bearing accounts in banks doing business in Texas.
7. FDIC insured brokered certificates of deposit from a bank in any US state, delivered versus payment to the Authority's safekeeping agent, not to exceed one year to maturity. Before purchase, the Investment Officer/Adviser must verify the FDIC status of the bank on www.fdic.gov to assure that the bank is FDIC insured.
8. General debt obligations of states, agencies, counties, cities and other subdivisions of any US state rated as to investment quality by a nationally recognized rating firm not less than AA or its equivalent with a stated maturity of three years. Bonds will be limited to a maximum of \$10 million per issuer and block size purchases are limited to \$10 million.
9. A1/P1 commercial paper with a maturity not to exceed 180 days.

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the Authority until this Policy has been amended and the amended version adopted by the Port Commission. Should an investment type become unauthorized by the Act or this Policy, existing positions need not be liquidated without prudent consideration of the impact on the entire portfolio. The Investment Committee and Commission shall be notified of the change immediately.

VIII. INVESTMENT PARAMETERS AND CONTROLS

Diversification



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The Authority recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification, which shall be achieved by using the following general guidelines:

- Avoiding over-concentration in securities from a specific issuer or business sector;
- Limiting investment in securities that have potential credit risks;
- Laddering securities with varying maturities to match cash flow, and;
- Maintaining a liquid portion of the portfolio in readily available funds such as local government investment pools, money market funds, bank liquidity options, or overnight repurchase agreements to ensure the appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for the Authority's total portfolio:

U.S. Treasury Securities	100%
U.S. Agency Securities	100%
Depository Certificates of Deposit	80%
Repurchase Agreements	100%
Flex Agreements by bond fund	100%
Local Government Investment Pools	100%
Percent of pool ownership	10%
Money Market Mutual Funds	100%
Percent of fund ownership	10%
Interest Bearing Accounts	100%
Brokered Certificates of Deposit	10%
State and Local Debt Obligations	80%
Commercial Paper	15%

Competitive Quotes or Offers

All transactions will require competitive solicitation of bids or offers except for:

- Transactions with money market mutual funds and local government investment pools;
- Automatic overnight "sweep" transactions with the Authority's Depository.

At least three bids or offers must be solicited for transactions involving individual securities and certificates of deposit. The Authority's investment advisor is also required to solicit at least three bids or offers when transacting trades on the Authority's behalf. In situations where other dealers do not offer the exact security being offered, offers on the closest comparable investment may be used to establish a fair market price for the security. Securities purchased at issue must be compared to other similar offering to determine competitive value.

Delivery vs. Payment

All security transactions will be executed on a delivery versus payment basis. That is, Authority funds shall not be released until the security or collateral has been received by the custodian. Securities shall be held in the name of the Authority or pledged to the Authority. The Custodian's records shall affirm the Authority's ownership of the securities. The original copy of all safekeeping receipts shall be delivered to and maintained by the Authority.



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Monitoring Credit Quality

The Investment Officer or Investment Adviser shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio which require a rating based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the Investment Committee within one week of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available.

Monitoring FDIC Status

The Investment Officer or Investment Adviser shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the Authority based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the Authority above the FDIC insurance level.

IX. FINANCIAL COUNTER-PARTIES

Broker/Dealers

The Investment Committee shall, at least annually, review and adopt a list of authorized broker/dealers and financial institutions authorized to engage in investment transactions with the Authority. Transactions may be executed only with broker/dealers on the authorized list. In order to be considered, those firms that desire to become qualified broker/dealers for investment transactions will be required to provide information regarding creditworthiness, experience and reputation.

Financial institutions offering only certificates of deposit need not be on the authorized list but must provide all the required Authority information before the transaction is made. Authorized firms may include primary dealers or regional broker/dealers and qualified depositories as established by Chapter 105 of the Local Government Code. A list of not less than three broker/dealers shall be maintained to assure a competitive process.

Financial institutions and broker/dealers who desire to transact business must supply the following documents to the Investment Officer or Investment Adviser (as applicable).

- Current year and annual audited financial statements;
- Financial Industry Regulatory Association (FINRA) certification and FINRA Central Depository Registration (CRD) number;
- Proof of Texas State Securities registration (broker/dealer).
- Certification of Policy review.
- Completion of a questionnaire detailing contact and experience.

No investment transactions (except CDs) may be entered into with the bank or a brokerage subsidiary of the central depository bank in order to fulfill all delivery versus payment (DVP) requirements for trade independence.

Certification

A written copy of the current Investment Policy shall be presented to any firm offering to engage in an investment transaction with the Authority. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools), which have



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provided the Authority with a written instrument executed by a qualified representative of the firm, in a form acceptable to the Authority and the business organization substantially to the effect that the business organization has:

- Received and reviewed the Authority's Investment Policy, and;
- Implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Authority and the organization that are not authorized by the Authority's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Authority's entire portfolio or requires an interpretation of subjective investment standards.

Depositories

At least every five years the Authority will designate one banking institution through a competitive process as its central banking services provider. In selecting a depository, the services, cost of services, credit worthiness, earnings potential, and collateralization of each financial institutions shall be considered. This institution will be used for normal banking services including disbursements, deposits, and safekeeping of securities. Certificates of deposit may be purchased from this depository on a competitive basis.

Depository/collateral agreements executed in accordance with FIRREA will be established before funds are deposited.

Other banking institutions from which the Authority may purchase certificates of deposit will also be designated as depositories and must execute a written depository contract in accordance with the collateral provisions of this Policy as applicable.

Safekeeping of Authority Owned Securities

All securities owned by the Authority (including repurchase collateral) will be settled **delivery versus payment** (DVP) into an Authority approved custodial arrangement. The custodian shall be a party independent from the trade.

Safekeeping of Securities Pledged to the Authority

All securities pledged to the Authority by a financial institution will be custodied with an Authority approved custodian. The custodian shall be a party independent from the pledging bank.

X. COLLATERAL

Consistent with requirements of the Public Funds Collateral Act (Texas Government Code, 2257), the Authority requires that all time and demand deposits of Authority funds shall be secured by pledged collateral with a market value equal to or greater than 102% of the principal plus accrued interest on deposit less an amount insured by FDIC.

All collateral shall be held in an independent third party institution outside the holding company of the depository and approved by the Authority. The custodian will provide evidence of proper collateralization in the form of original safekeeping receipts and provide monthly reports directly to the Authority listing the collateral held.

Substitution rights are granted but new collateral must be pledged before existing collateral is released to the depository by the custodian.

The depository shall be contractually liable for the monitoring and maintaining of collateral daily.



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The Authority shall accept only the following as collateral. Preference will be given to banks offering actual pledged securities:

- FDIC insurance coverage;
- Obligations of the United States of America, its agencies and instrumentalities including mortgage-backed securities which pass the bank test of the Federal Reserve.
- FHLB Letters of Credit

If a depository offers pooled collateral under the purview of the State Comptroller, the Investment Officers will review the program and present their recommendation to the Investment Committee. Use will require approval by the Investment Committee.

Repurchase Agreements (Owned Collateral)

Collateral under a repurchase agreement is owned by the Authority. It will be held by an independent third party safekeeping agent approved by the Authority under the terms of an executed Bond Market Association Master Repurchase Agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the daily monitoring and maintaining of collateral and margins.

XI. REPORTING

The Investment Officers/Adviser will prepare monthly and quarterly reports and provide quarterly reports to the Investment Committee and Port Commission, within a reasonable time after the end of each quarter.

The quarterly report shall contain at a minimum the following:

- Signatures of each Investment Officer(s);
- A summary statement prepared in compliance with generally accepted accounting principles that states the:
 - Beginning and ending market value for portfolio for the reporting period;
 - Addition and changes to the market value during the period;
 - Fully accrued interest and amortized earnings for the reporting period;
- Statement of book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset invested;
- Statement of the maturity date of each separately invested asset;
- Statement of the account or fund for which each individual investment was acquired;
- Statement of the overall weighted yield on the portfolio and the yield for the benchmark(s); and
- Statement of the compliance of the investment portfolio as it relates to:
 - The investment strategy in the Authority's Investment Policy; and
 - Relevant provisions of the Act.

Pricing for valuation purposes shall be obtained from independent sources.

The Authority's external, independent auditor will conduct an annual review of the quarterly reports in conjunction with the annual financial audit. The results of the audit will be reported to the Port Commission upon receipt. The audit will review compliance with management control on investments and adherence to this Investment Policy.



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XII. INVESTMENT POLICY ADOPTION

The Authority's Investment Policy shall be subject to revision to remain current with changing laws, regulations, market conditions, and needs of the Authority, and shall be reviewed annually by the Investment Committee. The Committee will recommend any changes or modifications to the Port Commission for review and adoption. The Authority's Investment Policy shall be adopted by resolution of the Port Commission and that resolution will include any changes made to the Policy.

GLOSSARY OF TERMS

Accretion: The straight line increase in value of an asset bought at a discount to its maturity price at par. The accretion represents earnings to the owner of the security.

Accrued Interest: The accumulated interest due on a note/bond at the coupon rate as of the last interest payment made by the issuer.

Agency: A debt security issued by a federal or federally sponsored agency. Some federal agencies are backed by the full faith and credit of the U.S. Government. Government Sponsored Enterprises (GSEs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of a federal agency is the Government National Mortgage Association (GNMA). An example of a GSE is the Federal National Mortgage Association (FNMA).

Amortization: The straight line decrease in value of an asset bought at a premium to its maturity price at par. The amortization is an expense to the owner reducing earnings.

Ask Price: The price at which securities are offered for sale. The price the Authority pays to buy a security.

Bank: A financial institution or the Authority's banking services depository.

Basis Point: A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of a percent of yield. e.g., "1/4" of 1 percent is equal to 25 basis points (0.25% or 0.0025).

Bid: The price at which an investor will sell a security.

Book Value: The value at which a security is carried on the inventory lists or other financial records of an investor. The book value is net of amortization or accretion. The book value may differ significantly from the security's current value in the market.

Bond: A security which has a principal amount and a coupon rate. The terms 'note' and 'bond' may be used interchangeably. "The Bond" is the longest Treasury being auctioned at any time.

Broker: A broker brings buyers and sellers together. He does not have a portfolio so takes no position in the trade. In the money market, brokers do not charge any fee or commission. All prices to the Authority are net of any commissions or fees taken by the broker/dealer.

Callable Bond: A debt security embedded with a call option giving the issuer the option to redeem before maturity under specified conditions. There may be multiple structures of the call.

Call Price: The price at which an issuer may redeem a bond prior to maturity.

Call Risk: The risk to a bondholder that a bond may be redeemed prior to maturity and funds re-invested at lower yields.

Cash Settlement: A transaction on which the trade and settlement of the security occur on the same day.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate. In Texas, public funds CDs must be collateralized or insured. Negotiable CDs are not permitted in Texas.

Collateralization: The pledge of securities, insurance, property, or other deposits for the purpose of securing the repayment of a loan and/or security. In Texas bank collateral is controlled by the Public Funds Collateral Act (Texas Government Code Chapter 2257).

Comprehensive Annual Financial Report (CAFR): The official annual report for the Authority. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP.

GLOSSARY OF TERMS

It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provision, extensive introductory material, and a detailed statistical section.

Coupon Rate: The annual rate of interest received by an investor on fixed-income securities. Also known as the “interest rate.”

Credit Quality: The measurement of the financial strength of a security issuer. This measurement helps an investor to understand an issuer’s ability to make timely interest payments and repay the principal upon maturity. Generally, the higher the credit quality of an issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return): A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Dealer: A dealer, as opposed to a broker, has an inventory of securities and can act as a principal in all transactions, buying and selling for his own account. A dealer can also act as a broker.

Debenture: A bond secured only by the general credit of the issuer.

Delivery versus Payment: Delivery of securities with a simultaneous exchange of money effected by the custodian. Guarantees Authority control over cash and securities.

Derivative Security: Security created from, or whose value depends upon, a security or one or more underlying assets or indexes of asset values.

Discount: The dollar or point difference between the price of a security and its redemption value (at par). Net it represents the earnings on a "discount security".

Discount Securities: Non-interest bearing money market instruments with an initial maturity less than one year that are always issued at a discount price (below par) and redeemed at maturity for full face value, e.g., U.S. Treasury Bills or agency discount notes.

Diversification: A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates. More important on longer securities.

Fair Market Value: The amount at which a security could be sold in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds): Rate at which Federal Reserve Banks may lend funds to each other overnight or on a longer basis. Fed funds are considered to be immediately available funds and a prime short-term measure of rates.

Federal Funds Rate: Effective interest rate charged by one banking institution lending federal funds to the other.

Federal Credit Agencies: Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g. small business firms, farmers, farm cooperatives, and exporters.

GLOSSARY OF TERMS

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

Federal Home Loan Banks (FHLB): The institutions that regulate and lend to member banks. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks. The banks are owned by their regional banks

Federal National Mortgage Association (FNMA or Fannie Mae): Agency issuing both debentures and mortgage-backed securities. FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (H.U.D). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest. FNMA is in conservatorship from 2009-2013.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets ten times each year to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money. Their guidelines are executed by the Federal Reserve New York.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,900 commercial banks that are members of the system.

Financial Industry Regulatory Authority (FINRA): A self-regulatory organization (SRO) of brokers and dealers. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities. (www.FINRA.org allows access to research members via their CRD number).

Government National Mortgage Association (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, and other institutions. Securities are full faith and credit of the U.S. Government. Ginnie Mae mortgage backed securities are backed by FHA, VA or FMHM mortgages. The term "pass-through" is often used to describe Ginnie Mae's. Ginnie issues no debentures or derivatives.

Government Securities: An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest credit quality of investment securities available in the securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate: See "Coupon Rate."

Interest Rate Risk: The risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls: A structure designed to provide reasonable assurance that the assets of the entity are protected from loss, theft, or misuse. Internal controls normally address the following:

- **Collusion** – Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **Separation of responsibilities** – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- **Safekeeping** – Placement of securities with an independent third party for custody.

GLOSSARY OF TERMS

Investment Policy: A concise and clear statement of the investment objectives and parameters approved by the governing body.

Liquidity: The ability to convert easily and rapidly into cash.

Local Government Investment Pool (LGIP): An investment by local governments in which their money is pooled as a method for managing local funds. Created under the Interlocal Cooperation Act.

Mark-to-Market: The process whereby a security is priced to identify its current (or fair) market value.

Market Risk: The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value: Current price at which a security could be sold in the open market.

Master Repurchase Agreement: The master agreement defines the nature of the transaction, identifies the relationship between the parties, establishes ownership and custody of the collateral securities during the term of the investment, and provides remedies in the case of default by either party. The industry standard is the SIFMA Master Repurchase Agreement. A master agreement is required under Texas law.

Maturity: The date on which the final payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value and interest due to the bondholder.

Money market: The market under one year in which short-term debt instruments (bills, discos, commercial paper, bankers' acceptances, etc.) are issued and traded.

Money Market Mutual Fund (MMMF): SEC registered securities structured as a fund in which owners own their pro rata share of the underlying investments. These funds invest solely in money market instruments. MMMF's are designed for liquidity and strive to maintain a \$1 net asset value.

Mutual Fund: An SEC registered security "investment company" that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940. Mutual funds are designed for yield enhancement.

Net Asset Value: The market value of one share of a MMMF or mutual fund. This value is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio.

Offer: An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "ask price." The price at which the Authority would buy a security.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Par: Face value or principal value of a bond. A price of 100 (or \$1 for \$1).

Portfolio: Collection of securities owned by an investor.

Premium: The amount by which the price paid for a security exceeds the security's par value. The premium amount is amortized over the life of the owned security.

GLOSSARY OF TERMS

Prime Rate: A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate. Prime averages 2% over 6-month Treasury.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms (www.newyorkfed.org/markets/pridealers_current.html). Primaries provide liquidity to the Treasury.

Principal: The face value or par value of a debt instrument. Also the amount of capital invested in a given security.

Prospectus: A legal document that must be provided to any purchaser of a MMMF or mutual fund registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule: An investment standard outlining the fiduciary responsibilities of investors relating to investment practices.

Qualified Public Depositories: A Texas financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of the state, which has segregated for the benefit of the Commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

Rate of Return: The yield obtainable on a security based on its current market price. As opposed to yield this includes consideration of the current market value.

Reinvestment Risk: The risk that a fixed income investor will be unable to reinvest income proceeds from a security holding at the same yield currently generated by that holding.

Repurchase Agreement (RP or REPO): A simultaneous buy-sell agreement in which one party purchases securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Safekeeping: Custody of assets (e.g. securities) by a financial institution. Always done by an independent party to perfect and control ownership.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation. The agency regulates securities, funds and investment advisers.

Swap: Selling one asset and purchasing a second security at the same time.

Term Bond: Bonds comprising a large part or all of a particular issue, which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return: The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation)+ (Dividends paid) + (Capital gains) =Total Return

GLOSSARY OF TERMS

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. All bills are issued to mature in three months, six months or one year in minimum denominations of \$1,000.00. The yields on bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Bond: Long-term U.S. Treasury securities having initial maturities of more than ten years. Used as key indicators for mortgage rates.

Treasury Notes: Intermediate term coupon bearing U.S. Treasury securities having initial maturities from over one to ten years.

Volatility: A degree of fluctuation in the price and valuation of securities.

Volatility Risk Rating: A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the return (“aaa” by S&P; “V-1” by Fitch) to those that are highly sensitive with currently identifiable market volatility risk (“ccc” by S&P, “V-10” by Fitch).

Weighted Average Maturity (WAM): The dollar weighted average maturity of all the securities that comprise a portfolio based on book value and days-remaining-maturity. Establishing a maximum WAM guards against over-extension.

When Issued (WI): A buy or sell transaction in which a security has been announced but not yet issued. All “when issued” transactions are settled when the actual security is issued.

Yield: The current rate of return on an investment security generally expressed as a percentage of the security’s current price.

Yield-to-Call (YTC): The rate of return an investor earns from a bond assuming the bond is redeemed on its call date.

Yield Curve: A graphic representation that depicts the relationship at a given point in time between yields and maturity on US Treasury securities. The "normal" yield curve is upward sloping i.e. a positive yield curve.

Yield-to-Maturity: The yield on a debt security held to maturity when both interest payments and the investor’s potential capital gain or loss are included in the calculation of return. It assumes that all coupon interest is reinvested at the same rate as the initial coupon therefore not as valid on long securities.

INVESTMENT POLICY CERTIFICATION

This certification is executed on behalf of the Port of Corpus Christ Authority of Nueces County, Texas (the Authority) and _____ (the Firm) pursuant to the Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes Annotated (the "Act") in connection with investment transactions conducted between the Authority and the Firm.

The undersigned Authorized Representative of the Firm hereby certifies on behalf of the Firm that:

1. The Authorized Representative is duly authorized to execute this Certification on behalf of the Firm, and
2. The Authorized Representative has received and reviewed the Investment Policy furnished by the Authority, dated _____, and
3. The Firm has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Firm and the Authority that are not authorized by the Authority's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Authority's entire portfolio or requires an interpretation of subjective investment standards.

Authorized Representative

Signature

Name (Printed)

Firm Name (Printed)

Title

Date

LISTING OF AUTHORIZED BROKER/DEALERS

Bank of America Merrill Lynch
BOSC, Inc. (Subsidiary of Bank of OK)
Cantor Fitzgerald
Comerica
Frost Capital Markets
G.X. Clark Securities
Mizuho Securities
Morgan Keegan
Morgan Stanley
Mutual Securities
RBC Dain Rauscher
Stifle Nicolaus

**RESOLUTION RELATED TO REVIEW OF INVESTMENT POLICY
AND INVESTMENT STRATEGIES**

WHEREAS, Section 2256.005(e), Texas Government Code, as amended, requires the governing body of an investing entity to review its investment policy and investment strategies not less than annually; and

WHEREAS, Section 2256.005(e), Texas Government Code, as amended, further requires the governing body to adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies; and

WHEREAS, the Port Commission of the Port of Corpus Christi Authority wishes to fully comply with the provisions of Section 2256.005(e), Texas Government Code; and

WHEREAS, the Port Commission did on this date review its investment policy and investment strategies in a properly posted public meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF CORPUS CHRISTI AUTHORITY AS FOLLOWS:

Section 1. The Port Commission hereby approves and adopts the Port of Corpus Christi Authority Investment Policy (dated July 2016), including the investment strategies contained therein, in the form presented to this meeting.

Section 2. The changes to PCCA's current investment policy and investment strategies are as follows:

- A1/P1 commercial paper with a maturity not to exceed 180 days has been added to the list of authorized investments
- No more than 15% of PCCA's total portfolio may be invested in commercial paper
- In the selection of PCCA's depository bank, preference will be given to banks that offer actual pledged securities for PCCA's time and demand deposits
- Federal Home Loan Bank letters of credit have been added to the list of acceptable collateral for PCCA's time and demand deposits
- BOSC, Inc. (Subsidiary of Bank of OK) has been added to the list of PCCA's authorized broker/dealers and Cantella & Company (King Capital), Loop Capital, and SAMCO Capital Markets have been deleted from the list

Section 3. This resolution is adopted by the Port Commission this 19th day of July, 2016.

* * * * *

DATE: July 19, 2016
TO: Port Commission
FROM: Tom Mylett, Chief of Port Security
tom@pocca.com
(361) 885-6180

AGENDA ITEM NO. 12.b

**Approve Revision to Tariff 100A Item 673,
Port Police Land & Marine Patrol Divisions**

SUMMARY: Staff recommends the Commission approve a revision to Tariff 100A Item 673.

BACKGROUND: Port Tariff 100A, Item 673 “Marine Patrol Division” was adopted by the Port Commission in 2009 in order to state the mission, purpose, and function of the Port Police Marine Patrol Division. Staff has since recognized the need to revise Item 673 to clarify the mission, purpose, and function of both the Port Police Land and Marine Patrol Divisions’ mission, purpose, and function. This revised Item 673, “Port Police Land & Marine Patrol Divisions”, satisfies that need for clarification.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: This project supports Strategic Goal 2 to provide facilities and services to meet customer needs.

EMERGENCY: No.

FINANCIAL IMPACT: This revision results in no financial impact.

STAFF RECOMMENDATION: Staff recommends approval of revised Item 673 as reflected in Exhibit A, attached.

DEPARTMENTAL CLEARANCES:

Originating Department	Police & Security Department
Reviewed & Approved	Chief Tom Mylett
Legal	Dane Bruun
Senior Staff	John LaRue, Sean Strawbridge, Jarl Pederson
Security Committee	

LIST OF SUPPORTING DOCUMENTS:

Revised Tariff 100A, Item 673 Port Police Land & Marine Divisions (redline)

Revised Tariff 100A, Item 673 Port Police Land & Marine Divisions (clean)

TARIFF 100A, ITEM 673

RED-LINE VERSION
(Showing Changes)ITEM 673 ~~(I) 9-8-2009~~PORT POLICE LAND & MARINE PATROL DIVISIONSPART ONE – PORT OF CORPUS CHRISTI POLICE DEPARTMENT

Since September 11, 2001, the Port of Corpus Christi Authority (PCCA) has ~~been implementing~~implemented a system of layered security, law enforcement measures, and response capabilities to enhance the integrity of its critical infrastructure and key resources (CI/KR) throughout the PCCA. These efforts have enhanced the safety of the Port of Corpus Christi, the industries surrounding the Port of Corpus Christi, and the Coastal Bend community as a whole. National Security Presidential Directive 41, Homeland Security Presidential Directive 13 (NSPD-41/HSPD-13) and the State of Texas Homeland Security Strategic Plan ~~2005-2010~~2015-2020 address among other critical concerns, ~~the and~~ vulnerabilities that exist which terrorists, foreign and domestic, may seek to exploit. Notwithstanding the vulnerabilities that exist through landside access to CI/KR, the ~~The~~ Texas maritime domain remains one of those areas of vulnerability. To better mitigate ~~that those~~ vulnerabilityies, the Port Commission ~~has in 2004~~ established the ~~Marine Patrol Division of the Port Authority's Police Department~~Port of Corpus Christi Police Department as an essential element of the federal, state, and local layered security posture throughout the Port of Corpus Christi Authority. The Port of Corpus Christi Police Department is mandated by the Port Commission to maintain strong participative partnerships with all respective federal, state and local law enforcement and regulatory agencies.

A. PART TWO – PORT POLICE OFFICER POWERS AND DUTIES.

Port Police Officers are licensed by the Texas Commission on Law Enforcement (TCOLE) and have the same powers and duties as a peace officer described by Article 2.12 of the Texas Code of Criminal Procedure, including the powers of arrest described in the Texas Penal Code, Texas Code of Criminal Procedure, and Texas Transportation Code, and Texas Water Code. See TEX. WATER CODE § 60.077. In exercising these duties and powers of arrest, Port Police Officers are bound by both the U.S. Constitution and the State of Texas Constitution.

PART THREE – LAND PATROL DIVISION

A. The mission of the Land Patrol Division is as follows:

1. To protect, patrol, and defend, in collaboration with federal, state, and local law enforcement partners, the landside public access routes to Critical Infrastructure/Key Resources (CI/KR) throughout City of Corpus Christi Industrial District No. 1 and defined

Industrial Districts outside of Nueces County with a direct nexus to the Maritime Transportation System (MTS) that transit the Corpus Christi Ship Channel, La Quinta Channel, Gulf Intracoastal Waterway (within Nueces & San Patricio Counties), Rincon Channel, and the Corpus Christi Inner Harbor.

2. To provide, when requested, first response law enforcement service to all businesses, including members of Port Industries of Corpus Christi. First response law enforcement services include, but are not limited to, the following:

- a. reported/suspected violations of applicable federal, state, or local (Port Tariff) laws whether criminal or civil;
- b. reported/suspected incidents involving public breach of the peace;
- c. reported/suspected incidents involving criminal incidents relating to crimes against person(s) or property;
- d. reported/suspected incidents involving "active shooter"; and
- e. reported/suspected incidents that the requesting party believes require the presence of a Texas certified peace officer. (e.g. Port Police Officer, Municipal Police Officer, Sheriff's Deputy, State Trooper, State Game Warden, etc.).

Port Police Officers shall perform their duties in accordance with all applicable federal, state, and local laws.

PART FOUR – MARINE PATROL DIVISION

B.A. The mission of the Marine Patrol Division is as follows:

- 1. Protect, secure, and defend the ship channels and waterways in the jurisdiction of the Port Authority (see Item 600) and the facilities served by those ship channels and waterways;
- 1. Promote the health, safety, and general welfare of any person using the ship channels and waterways in the jurisdiction of the Port Authority;
- 2. Prevent terrorist attacks on ship channels and waterways in the jurisdiction of the Port Authority and the facilities served by those ships channels and waterways; and-
- 3.
- 4. Collaborate and work in partnership with those local, state, and federal public safety agencies that have concurrent jurisdiction with the Port Authority over the ship channels and waterways in the Port Authority's jurisdiction to protect, secure and defend these ship channels and waterways.

B. To meet this mission, Port Police Officers in the Marine Patrol Division will patrol the ship channels and waterways within the Port Authority's jurisdiction on a regular basis using marine patrol craft as directed by the Port Authority's Executive Director, ~~Director of Operations~~Chief Operating Officer (COO), and PCCA Police Chief.

~~Port Police Officers are appointed by the Port Commission and must be state-certified Texas peace officers.~~

~~E. Port Police Officers in the Marine Patrol Division have the same powers and duties as a peace officer described by Article 2.12 of the Texas Code of Criminal Procedure, including the powers of arrest described in the Texas Penal Code, Texas Code of Criminal Procedure, Texas Transportation Code, and Texas Water Code. In exercising these duties and powers of arrest, Port Police Officers are bound by both the U.S. Constitution and the State of Texas Constitution.~~

~~G. The Marine Patrol Division's primary areas of responsibility (AOR) is as follows: focus will be the following channels and waterways within the jurisdiction of the Port Authority—Inner Harbor of the Port of Corpus Christi, Corpus Christi Ship Channel to the Port Aransas Jetties, Rincon Canals, La Quinta Channel, Jewell Fulton Canal, and the Gulf Intracoastal Waterway, Lydia Ann Channel, and the area of the Port Aransas jetties. All other adjoining and adjacent waterways within the Port Authority's jurisdiction remain areas of authorized marine patrol activities, but are secondary areas-AOR's with regard to routine marine patrols.~~

~~C.~~

~~D. Item 674 provides specific information pertaining to operation of non-commercial vessels, as defined therein, within the Corpus Christi Ship Channel and adjoining waterways. Item 674 also describes areas within the Port Authority's jurisdiction where non-commercial vessel traffic is prohibited.~~

TARIFF 100A, ITEM 673

CLEAN VERSION

ITEM 673

PORT POLICE LAND & MARINE PATROL DIVISIONS

PART ONE – PORT OF CORPUS CHRISTI POLICE DEPARTMENT

Since September 11, 2001, the Port of Corpus Christi Authority (PCCA) has implemented a system of layered security, law enforcement measures, and response capabilities to enhance the integrity of its critical infrastructure and key resources (CI/KR) throughout the PCCA. These efforts have enhanced the safety of the Port of Corpus Christi, the industries surrounding the Port of Corpus Christi, and the Coastal Bend community as a whole. National Security Presidential Directive 41, Homeland Security Presidential Directive 13 (NSPD-41/HSPD-13) and the State of Texas Homeland Security Strategic Plan 2015-2020 address, among other critical concerns, the vulnerabilities that exist which terrorists, foreign and domestic, may seek to exploit. Notwithstanding the vulnerabilities that exist through landside access to CI/KR, the Texas maritime domain remains one of those areas of vulnerability. To better mitigate those vulnerabilities, the Port Commission in 2004 established the Port of Corpus Christi Police Department as an essential element of the federal, state, and local layered security posture throughout the Port of Corpus Christi Authority. The Port of Corpus Christi Police Department is mandated by the Port Commission to maintain strong participative partnerships with all respective federal, state and local law enforcement and regulatory agencies.

PART TWO – PORT POLICE OFFICER POWERS AND DUTIES

Port Police Officers are licensed by the Texas Commission on Law Enforcement (TCOLE) and have the same powers and duties as a peace officer described by Article 2.12 of the Texas Code of Criminal Procedure, including the powers of arrest described in the Texas Penal Code, Texas Code of Criminal Procedure, and Texas Transportation Code, and Texas Water Code. See TEX. WATER CODE § 60.077. In exercising these duties and powers of arrest, Port Police Officers are bound by both the U.S. Constitution and the State of Texas Constitution.

PART THREE – LAND PATROL DIVISION

A. The mission of the Land Patrol Division is as follows:

1. To protect, patrol, and defend, in collaboration with federal, state, and local law enforcement partners, the landside public access routes to Critical Infrastructure/Key Resources (CI/KR) throughout City of Corpus Christi Industrial District No. 1 and defined Industrial Districts outside of Nueces County with a direct nexus to the Maritime Transportation System (MTS) that transit the Corpus Christi Ship Channel, La Quinta

Channel, Gulf Intracoastal Waterway (within Nueces & San Patricio Counties), Rincon Channel, and the Corpus Christi Inner Harbor.

2. To provide, when requested, first response law enforcement service to all businesses, including members of Port Industries of Corpus Christi. First response law enforcement services include, but are not limited to, the following:
 - a. reported/suspected violations of applicable federal, state, or local (Port Tariff) laws whether criminal or civil;
 - b. reported/suspected incidents involving public breach of the peace;
 - c. reported/suspected incidents involving criminal incidents relating to crimes against person(s) or property;
 - d. reported/suspected incidents involving “active shooter”; and
 - e. reported/suspected incidents that the requesting party believes require the presence of a Texas certified peace officer. (e.g. Port Police Officer, Municipal Police Officer, Sheriff’s Deputy, State Trooper, State Game Warden, etc.).

Port Police Officers shall perform their duties in accordance with all applicable federal, state, and local laws.

PART FOUR – MARINE PATROL DIVISION

- A. The mission of the Marine Patrol Division is as follows:
 1. Protect, secure, and defend the ship channels and waterways in the jurisdiction of the Port Authority (see Item 600) and the facilities served by those ship channels and waterways;
 2. Promote the health, safety, and general welfare of any person using the ship channels and waterways in the jurisdiction of the Port Authority;
 3. Prevent terrorist attacks on ship channels and waterways in the jurisdiction of the Port Authority and the facilities served by those ships channels and waterways; and
 4. Collaborate and work in partnership with those local, state, and federal public safety agencies that have concurrent jurisdiction with the Port Authority over the ship channels and waterways in the Port Authority’s jurisdiction to protect, secure and defend these ship channels and waterways.
- B. To meet this mission, Port Police Officers in the Marine Patrol Division will patrol the ship channels and waterways within the Port Authority’s jurisdiction on a regular basis using marine patrol craft as directed by the Port Authority’s Executive Director, Chief Operating Officer (COO), and PCCA Police Chief.
- C. The Marine Patrol Division’s primary area of responsibility (AOR) is as follows: Inner Harbor of the Port of Corpus Christi, Corpus Christi Ship Channel to the Port Aransas Jetties, Rincon Canals, La Quinta Channel, Jewell Fulton Canal, and the Gulf Intracoastal Waterway. All other adjoining and adjacent waterways within the Port Authority’s jurisdiction remain areas of

authorized marine patrol activities, but are secondary AOR's with regard to routine marine patrols.

- D. Item 674 provides specific information pertaining to operation of non-commercial vessels, as defined therein, within the Corpus Christi Ship Channel and adjoining waterways. Item 674 also describes areas within the Port Authority's jurisdiction where non-commercial vessel traffic is prohibited.

DATE: July 19, 2016

TO: Port Commission

FROM: Sarah L. Garza, Director of Environmental Planning & Compliance
sarah@pocca.com
(361) 885-6163

AGENDA ITEM NO. 12.c

Authorize Staff to Issue a Request for Proposals for Professional Services for Environmental Inspections and Plans and Demolition Contract Administration Related to Properties Acquired by the PCCA under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program

SUMMARY: Staff is requesting Commission approval to issue a Request for Proposals for Professional Services for the completion of asbestos and regulated waste surveys, development of asbestos abatement plans and disposal plans, coordination of the demolition contractor, oversight of abatement and air monitoring during abatement, oversight of demolition activities, and oversight of disposal of wastes for the Hillcrest Real Estate Acquisition & Relocation Program.

BACKGROUND: As part of the Harbor Bridge replacement project and under the terms of the Four-Party Agreement (between the PCCA, Texas Department of Transportation, City of Corpus Christi and the Corpus Christi Housing Authority) PCCA initiated the Voluntary Neighborhood Acquisition and Relocation Program for eligible property owners and residents of the Hillcrest/Washington-Coles neighborhoods. A component of this voluntary buy-out program is that the PCCA will demolish and remove the structures after the properties are acquired.

It is expected that asbestos and some household hazardous and other wastes may exist on these properties and therefore must be properly abated and disposed of after property acquisition. This type of service must have a licensed professional conduct an appropriate site survey, identify and characterize regulated materials through sampling, and develop abatement and disposal plans for proper management of the asbestos and regulated wastes, respectively.

Once these plans are completed they will be provided to the demolition contractor for proper implementation during demolition. Additional oversight by the selected firm will be provided during demolition to ensure compliance and proper management in accordance with developed plans.

ALTERNATIVES: Staff has discussed with Del Richardson & Associates (DRA) the possibility of adding this to the scope of their existing contract with PCCA and has concluded this would not be a viable option due to their current workload. One other alternative may be to acquire professional services for the environmental studies and separate professional services for the Demolition Contract Administration. However, this would add one additional layer to the process and potentially create inefficiencies as it is expected the same companies would potentially respond to both Requests for Proposals.

CONFORMITY TO PORT POLICY: This conforms to PCCA's procurement policy.

EMERGENCY: No. However this is a fast-track project in order to have these professional services in place as they will be required in order to initiate the process for the demolition and property clearing of the acquired lots.

FINANCIAL IMPACT: The financial obligation related to this scope of work is unknown at this time and will depend on the number, type, and condition of properties acquired. Staff will bring the results of the RFP process back to the Commission for its consideration once a proper procurement process has been concluded. Any expenditures for this work will be credited against the PCCA's \$20 million obligation under the Four Party Agreement.

STAFF RECOMMENDATION: Staff recommends the Port Commission determine that, of the methods available to PCCA for acquiring this type of professional services, the request for proposals method will result in the selection of the most qualified firm at the most fair and reasonable price.

DEPARTMENTAL CLEARANCES:

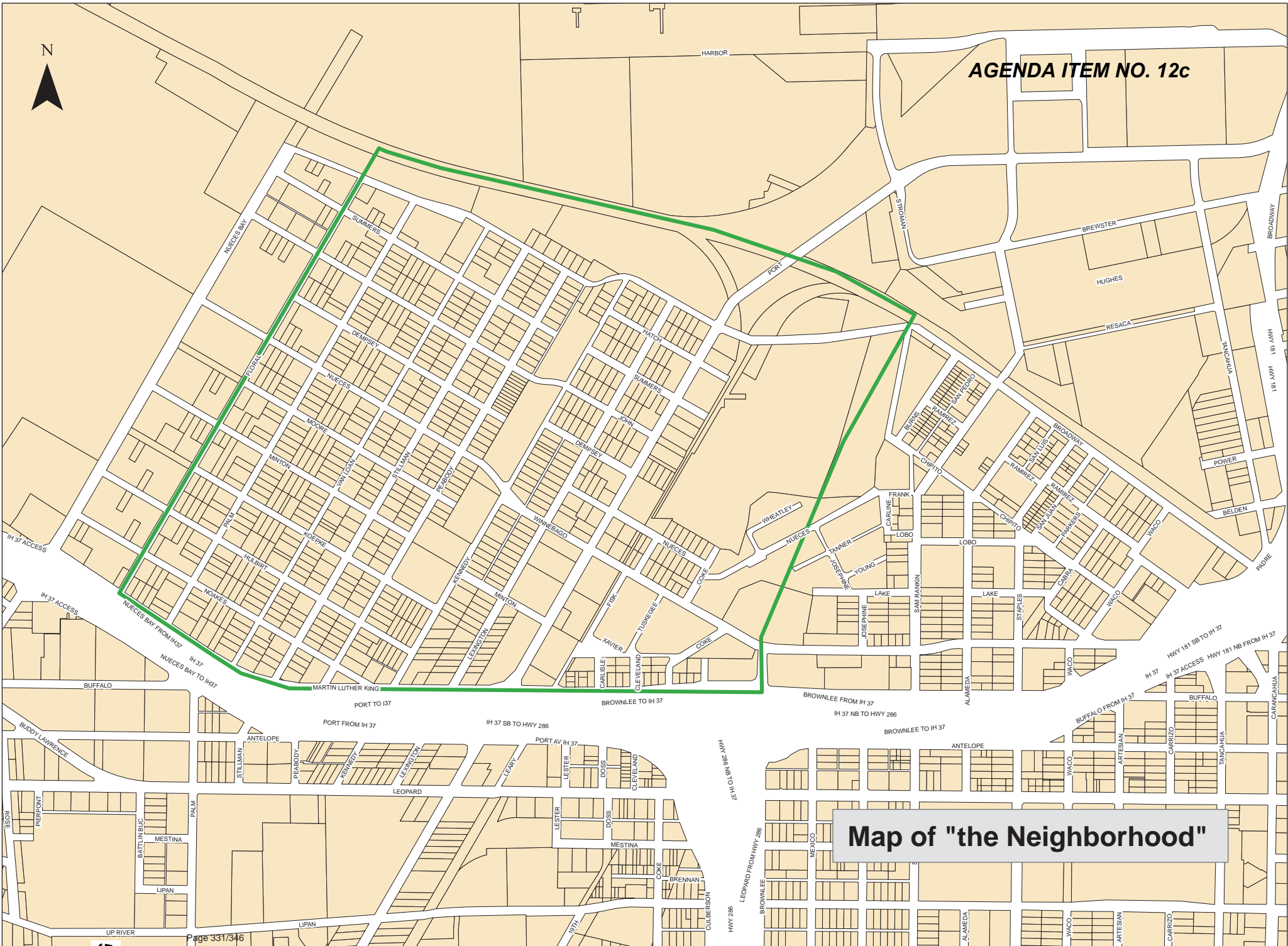
Originating Department	Environmental Planning and Compliance
Reviewed By	Sarah Garza
	Stevenson Ashley
	Sonya Lopez
Legal	Jimmy Welder
	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit of Project Location



AGENDA ITEM NO. 12c



Map of "the Neighborhood"

DATE: July 19, 2016
TO: Port Commission
FROM: Ruben C. Medina
rubenm@pocca.com
(361) 885-6109

AGENDA ITEM NO. 12.d

Approve a Consulting Agreement in the Amount of \$85,934.00 with Moffatt & Nichol, the Lowest and Best Proposer for Proposals Received on June 10, 2016, for a Bulk Terminal Market Study

SUMMARY: Staff requests award of a Consulting Agreement to Moffatt & Nichol in the amount of \$85,934.00 for consulting services to complete a market study at the Bulk Terminal.

BACKGROUND: The Market Study is part of the overall master development planning for the Bulk Terminal. The market study will evaluate PCCA's strategic location and potential as a key component within the present and potential future customer's logistics-supply-chain for dry bulk materials. In addition, the diversified dry bulk cargo projections, detected through the study, should support the required upgrades/modifications to the existing equipment at the Bulk Terminal.

After Commission Approval at the May 17, 2016, Commission Meeting and review by the Long-Range Planning Committee, staff prepared an RFP for the Market Study at the Bulk Terminal. Six proposals were received and evaluated by an evaluation committee made up of PCCA staff. Moffatt & Nichol offered the lowest and best evaluated proposal based on the published evaluation criteria in the RFP.

ALTERNATIVES: An alternative would be for PCCA staff to prepare a Market Study. However, staff lacks the investigative tools and myriad contacts which consultants have at their disposal. This would delay the market study many months.

CONFORMITY TO PORT POLICY: One of the key objectives in the PCCA's Strategic Plan is to "proactively identify and pursue general cargo and dry bulk diversification opportunities."

EMERGENCY: N/A

FINANCIAL IMPACT: This project is part of the Master Development Plan for the Bulk Terminal and is included in the 2016 budget.

STAFF RECOMMENDATION: Staff recommends award of the attached Consulting Agreement to Moffatt & Nichol in the amount of \$85,934.00 for consulting services for the completion of a market study for the Bulk Terminal.

DEPARTMENTAL CLEARANCES:

Originating Department	Business Development
Reviewed & Approved	Dave Michaelson
	Sarah Garza
	Eric Battersby
	John Slubar
	Eddie Martinez
Legal	Dane Bruun
Senior Staff	John LaRue
	Jarl Pedersen
	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS

Consulting Agreement with Moffatt & Nichol

Moffatt & Nichol Rate Schedule

CONSULTING AGREEMENT

This CONSULTING AGREEMENT (the “Agreement”) is made and entered into effective as of July 19, 2016 (“Effective Date”), by and between Moffatt & Nichol (“Consultant”) and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“PCCA”), each a “Party” and, collectively, the “Parties.”

WHEREAS, Consultant has submitted a proposal to provide PCCA with the services stated in Exhibit A attached hereto (“Services”), which is incorporated into this Agreement for all purposes; and

WHEREAS, PCCA wishes to engage the Consultant to provide the Services on the terms and conditions stated in this Agreement;

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Section 1. *Consultant’s Services.* The PCCA hereby engages the Consultant to perform the Services in accordance with the terms and conditions set forth in this Agreement, and Consultant hereby agrees to provide the Services during the Term (as defined in Section 3) of this Agreement. The Parties may mutually agree to refine the scope of the Services during the Term as circumstances may warrant.

Section 2. *Key Staff.* The Services will be performed primarily by Jonathan Thomas, P.E., Geraldo Araujo, Robin Dolan, Daniel Solomon, James Caldwell, Bobby Khondker, Jill Hennessey (each a “Key Employee”).

Section 3. *Term.* This Agreement will commence on the Effective Date and expire on December 31, 2016 (the “Deadline”), unless PCCA agrees to extend the Deadline for good reason; provided, however, that PCCA may terminate this Agreement for any reason on thirty (30) days’ advance written notice sent to Consultant at the address set forth in Section 12, or personally delivered to Consultant. The term of this Contract (“Term”) shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by PCCA, (2) the date on which, in the opinion of PCCA, all of the Services have been rendered, or (3) the date on which this Agreement is terminated by PCCA pursuant to Section 3.

Section 4. *Effect of Termination.* Upon the termination of this Agreement, PCCA shall have no further obligation to the Consultant hereunder except to pay the Consultant all unpaid fees which the Consultant has earned under this Agreement.

Section 5. *Consultant’s Responsibilities.* In addition to all other obligations contained herein, the Consultant shall perform its services in accordance with recognized industry standards and agrees, warrants, and represents that:

- 5.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;
- 5.2 The Consultant will proceed with due diligence and promptness in providing the Services;
- 5.3 Services shall be performed in accordance with the highest ethics;

5.4 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

5.5 Neither the Consultant's performance of the Services nor its compliance with any term of this Agreement shall constitute a breach under any agreement that the Consultant has or had with any other party including, without limitation, any non-compete, confidentiality, or non-disclosure agreement regarding third-party proprietary information;

5.6 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

5.7 In performing the Services, the Consultant will not use any third party confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the PCCA, or bring onto the PCCA's premises, or induce the PCCA to use any third party confidential or proprietary information;

5.8 The Consultant does not have the authority to act for the PCCA, bind the PCCA in any respect, or incur any debts or liabilities in the name of or on behalf of the PCCA, except as otherwise expressly authorized in writing by the PCCA;

5.9 The Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

5.10 The Consultant shall satisfy all tax and other governmentally-imposed responsibilities as an independent contractor under this Agreement including, but not limited to, payment of state, federal and social security taxes, unemployment taxes, and workers' compensation; and

5.11 As of the Effective Date and at all times during the Term, the Consultant shall possess and maintain in good standing any and all licenses and/or other authorizations and approvals necessary to perform the Services.

Section 6. *Contract Fee.* In consideration of the Consultant's performance of the Services in accordance with this Agreement during the Term, PCCA shall pay to the Consultant the compensation set forth in Exhibit B attached hereto ("Contract Fee") as provided in Exhibit B, which is incorporated into this Agreement for all purposes.

Section 7. *Reimbursement of Certain Travel Expenses and Direct Costs.* Notwithstanding anything herein to the contrary, PCCA agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Agreement. PCCA will also reimburse the Consultant for document production costs and other direct costs (collectively, "Direct Costs") incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to PCCA from time to time, and such costs and expenses shall be billed to PCCA at Consultant's actual cost.

Section 8. *Independent Contractor Status.*

8.1 The Parties agree that the Consultant will act as an independent contractor in the performance of any and all Services under this Agreement, and will in no way be considered an agent, partner, joint venturer, or employee of the PCCA at any time during the Term. The Consultant will only consult and render advice to the PCCA and will not undertake to commit the PCCA to any course of action in relation to a third party unless expressly requested and authorized to do so by the PCCA in writing.

8.2 The Consultant shall not be entitled to any rights or benefits of an employee of the PCCA at any time during the Term. Furthermore, the Consultant will not be eligible to participate in any profit sharing plan or other employee benefit plan maintained by the PCCA for the benefit of its employees. The PCCA shall have no responsibility for withholding any federal income taxes or paying payroll taxes on any amounts paid to the Consultant. The Consultant agrees to pay all income and employment taxes on the Contract Fee or other amounts paid to the Consultant hereunder, consistent with its status as an independent contractor, in compliance with all applicable laws and regulations.

8.3 At all times during the Term, the Consultant shall carry insurance in the amounts listed in Exhibit C. Certificates of insurance depicting such required coverage shall be provided by the Consultant to the PCCA Risk Program Manager prior to commencement of the Services.

Section 9. *Indemnification and Release.* Consultant hereby releases and discharges PCCA and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the “Authority Parties”) from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys’ fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Agreement. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant’s indemnity obligations under this Section 9 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers’ or workmen’s compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 9 shall survive the end of the Term of the Agreement.

Section 10. *PCCA Representative.* Except as otherwise provided by PCCA, the PCCA’s Representative during the Term shall be PCCA’s Executive Director and/or his designee. When the Consultant requires approval, authorization, and/or other communication from or with the PCCA, such communication shall be directed to the PCCA’s Representative. The PCCA’s Representative shall be reasonably available to the Consultant for consultation and/or direction.

Section 11. *Confidential Information.* It is understood that information developed by or communicated to Consultant in the performance of this Agreement, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available

to the public is proprietary to the PCCA and constitutes confidential information of the PCCA. Consultant agrees that, without prior written approval of the PCCA's Representative, Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Agreement, except for the purpose of performing Consultant's obligations under this Agreement.

Section 12. *Notices.* All notices, demands, reports, requests or other communication required or permitted to be given hereunder shall be deemed to have been given when received, whether delivered personally or mailed. Any notice that is mailed should be addressed as follows:

If to the PCCA:

222 Power Street
Corpus Christi, Texas 78401
ATTN: Executive Director

If to Consultant:

1800 Hughes Landing Blvd., Suite 450
The Woodlands, Texas 77380
ATTN: Jonathan Thomas, P.E.

Either Party may change its mailing address for purposes of this Agreement by giving written notice thereof to the other Party.

Section 13. *Assignment.* This Agreement may not be assigned by the Consultant without the prior written consent of the PCCA.

Section 14. *Binding.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 15. *Governing Law.* **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. THE PARTIES HERETO EXPRESSLY AGREE THAT THIS AGREEMENT IS EXECUTED AND SHALL BE PERFORMED IN NUECES COUNTY, TEXAS, AND VENUE OF ALL DISPUTES, CLAIMS AND LAWSUITS ARISING HEREUNDER SHALL LIE IN NUECES COUNTY, TEXAS.**

Section 16. *Severability.* If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 17. *Open Records.* The PCCA is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the PCCA as required by the Texas Public Information Act or any other applicable law will not expose the PCCA (or any party acting by, through or under the PCCA) to any claim, liability or action by the Consultant.

Section 18. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to these particular Services. There are no written or oral representations or

understandings between the Parties with respect to the Services that are not fully expressed in this Agreement. This Agreement may be amended or modified from time to time only by a written instrument executed by the Parties.

Section 19. *Waiver.* The failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Agreement or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

Section 20. *Force Majeure.* In the event either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strike, lockouts, labor troubles, restrictive government or judicial orders or decrees, riots, insurrection, war, Acts of God, inclement weather or other similar reason or a cause beyond such Party's control, then performance of such act shall be excused for the period of such delay. Any timelines affected by such force majeure shall be extended for a period equal to that of the delay. Notice of the start and stop of any such force majeure shall be provided to the other Party.

Section 21. *Limitation of Liability.* Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

Section 22. *Headings.* All Section headings or other titles used in this Agreement are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Agreement.

Section 23. *Defamation.* The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

Section 24. *No Organizational Conflicts of Interest.* Consultant hereby certifies that it has no actual or potential Organizational Conflicts of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to PCCA or the Consultant's objectivity in performing the services under this Agreement is or might otherwise be impaired. Consultant agrees to immediately notify PCCA of any actual or potential Organizational Conflicts of Interest that develop during the term of this Agreement. Consultant agrees that PCCA may terminate this Agreement immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Agreement.

Section 25. *Disclosure of Interested Parties.* Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to PCCA at the time Consultant submits the signed contract to PCCA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by them or their duly authorized representatives effective as of the Effective Date.

PCCA:

PORT OF CORPUS CHRISTI AUTHORITY OF
NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

CONSULTANT:

MOFFATT & NICHOL

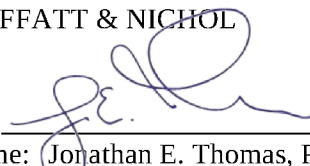
By:  _____
Name: Jonathan E. Thomas, P.E.
Title: Vice President

EXHIBIT A

SERVICES

The Consultant will perform the following professional services in accordance with the terms and conditions set forth in this Agreement:

Conduct a market study for the Port Authority's Bulk Terminal in accordance with Request for Proposals dated May 9, 2016, and Consultant's Proposal dated June 10, 2016. This market study will include interviews with external sources, Port staff and Bulk Terminal Tenants and Operators, as appropriate. The Market study will review and evaluate domestic and international bulk material cargo markets and trade routes, current and forecasted tonnages, and identify short term cargo projections and opportunities, long term future commodities and opportunities, and then prepare a full report of findings. The market study must include a global market segmentation analysis, market trends and tariff-charge comparisons. The report must also detail the basis of these findings. The Market Study will be used to identify new business development opportunities and aid in future development of a proposed master plan for the Bulk Terminal. The Port Authority will provide a ten-year historical record of cargo commodities and tonnages handled at the Bulk Terminal and cargo tonnages handled with Port Authority owned equipment.

Consultant's approach to this scope of work includes the major tasks listed below and further detailed as follows:

- Initial meeting with the Port/project kick-off in Corpus Christi
- Preliminary market assessment and presentation of early finding (off-site)
- Refined analysis incorporating guidance from the Port on preliminary effort
- Final report submittal and presentation in Corpus Christi
- Stakeholder interviews (as needed and agreed as a change in scope)

Consultant will complete the work within eight-weeks from the initial meeting to the final presentation.

	Weeks							
	1	2	3	4	5	6	7	8
Initial Meeting & Kick-Off	*							
Preliminary Market Assessment & Presentation					*			
Refined Analysis								
Final Report & Presentation								*

* Meeting

The initial meeting will be held within two weeks of the contract authorization or as soon as practicable thereafter based on PCCA availability.

A. Initial Meeting & Project Kick –Off

The Consultant Project Team will, at a time convenient to PCCA, meet with the PCCA's team in Corpus Christi. The meeting will be used to acquaint the Consultant Project Team with the appropriate Port staff, and to review the Port's expectations of timing, content and deliverables. This meeting will also be used to submit any data requests to the Port that the Consultant would require to produce the market analysis.

B. Preliminary Market Assessment and Presentation

The objective of the preliminary market assessment will be to develop a first cut at the volume projections for the port. These initial projections will be then be shared with the Port in order to receive their feedback on the overall direction and scale of the outlook.

In order to produce the forecasts, Consultant will follow a basic task process which follows:

1. **Trade Trends.** Consultant will identify the historical growth trends of the commodities currently being handled at the port. Growth trends will be identified for the US as a whole, the US Gulf Coast region in aggregate, and the dominant ports. Additionally, Consultant will identify the global trade trends of these same bulk and break bulk commodities. In order to produce this analysis, Consultant will use data provided by the Port, as well as public sources including the US Census Bureau, the US Army Corps of Engineers, and the United Nation's ComTrade data set. This analysis will also be used to flag any commodities moving through competing gateway which could potentially relocate and/or shift in part to Corpus Christi.
2. **Industry Drivers.** As the existing commodity base at the Port has been established in Task 1, and the growth trends of these contextualized in the broader regional, national and global trade economies, Consultant will develop an outlook for the primary industries responsible for either producing or consuming these same commodities. The outlooks will be based on the several factors, namely whether they serve primarily a domestic base (i.e. construction) or an international base (i.e. petro products meant for export). Consultant will measure the performance of these industries relative to overall economic growth, and produce an estimate of future growth based on known potential risks. The analysis will include a graphical representation of the industry concentration (at the county-level) within the hinterland market the Port serves. This will help demonstrate where the production/consumption sources are that fall within the ports immediate catchment area, and where those are in the more extensive hinterland.
 - 2a. Identifying the Port's competitive inland reach, based on the inland freight costs through Corpus Christi compared to competing gateways will illustrate to what extent, on a cost basis, the Port could potentially enlarge its "natural" hinterland.
3. **Volume Projections.** The industry outlooks will be paired with the respective trade flow patterns to produce forecasts of trend growth of the existing commodity base. These trend forecasts will incorporate estimates of organic growth as well as potential market share capture/loss. Additionally, Consultant will provide an outlook (based on organic growth) for goods currently not moving through the Port, but which appear as feasible candidates to begin to.

Once this preliminary analysis is complete, the Port and Project Team would reconvene in Corpus Christi for a presentation of the approach/progress-to-date and the initial findings. It would serve as workshop, whereby following the presentation the Port would be encouraged to provide initial feedback, and signal to Consultant points of concern which need to be addressed sooner rather than later. Consultant anticipates that this meeting should be held at the end of the 5th week.

C. Refined Analysis

Following the presentation of the preliminary findings, Consultant will continue to review the market analysis and outlooks, and adjust them accordingly based on the feedback provided by the Port.

Consultant anticipates that this period will include a higher level of communication between the Port and the Project Team. As such M&N would recommend the weekly, or potentially bi-weekly, calls be scheduled to ensure that all efforts are coordinated, and the output, the final deliverable meets the Port's expectations, without exception.

D. Final Report & Presentation

The Port and Consultant Project Team will again reconvene in Corpus Christi for a final presentation. In all likelihood this will be a summation of the key finding, as much of the approach and support material would have been covered in the interim meeting. This will also serve as the formal closing of the project, and the written report will be delivered as well.

This final meeting could also be done remotely if preferable by the Port, in the event that the additional travel cost of key Consultant Project Team members located outside of Texas is undesirable.

E. Stakeholder Interviews

Consultant recognizes that in certain instances it becomes useful to engage a stakeholder interview program to assist in the market assessment depending on data availability and PCCA preference. Following agreement on the presented work plan, with any alterations deemed fit by the Port, a discussion regarding a separate task item of the stake holder interviews will be held. This would entail direction from the Port to the Consultant as to the size, scope and duration of the desired interview process.

EXHIBIT B

**CONTRACT FEES
(Hourly fee basis)**

The Consultant will perform the services described in Exhibit A in accordance with the terms and conditions of this Agreement on an hourly fee basis; provided, however, that the total fee for services rendered under this Agreement will not exceed \$85,934 (total labor fees \$81,824 and total expenses \$4,110), without PCCA's written approval. Services provided by Consultant will be billed at the rates identified in Attachment B-1 to this Agreement herein. This fee will cover all costs for overhead, including but not limited to, office rent, long distance telephone charges, postage, and payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: <http://www.defensetravel.dod.mil/site/perdiemCalc.cfm>. Authority will also reimburse the Consultant for document production costs and other direct costs (collectively, "Direct Costs") incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

In order to receive payment, the Consultant must submit an invoice for all fees earned during the installment period (monthly). This invoice should also include any approved direct expenses, properly itemized along with original receipts. Monthly invoices will include a time log indicating services provided. PCCA will pay all invoices within 30 days of receipt of the invoice.

Should this Agreement be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

ATTACHMENT B-1



RATE SCHEDULE FOR PROFESSIONAL SERVICES

PCCA Bulk Terminal Market Study

Effective January 1, 2016 Until December 31, 2016

	<u>CLASSIFICATION</u>	<u>HOURLY RATES</u>
PROFESSIONALS	Principal	\$ 266.00
	Project Manager	\$ 266.00
	Supervisory Economist/Consultant	\$ 242.00
	Senior Economist/Consultant	\$ 222.00
	Economist/Consultant III	\$ 205.00
	Economist/Analyst II	\$ 180.00
	Economist/Analyst I	\$ 160.00
	Junior Economist/Analyst	\$ 127.00
TECHNICIANS	Economist Graphics	\$ 165.00
	Senior Technician	\$ 158.00
	Designer	\$ 147.00
	CADD II	\$ 121.00
	CADD I	\$ 105.00
CLERICAL	Project Controls	\$ 110.00
	Word Processing	\$ 92.00
	General Clerical	\$ 92.00

REIMBURSABLE EXPENSES (Unless Otherwise Provided in Written Agreement)

Subcontracts or Outside Services		Cost +15%
Reproductions	-In House	
	Mylar Plots (B/W)	\$2.00/SF
	Color Plots	\$4.00/SF
	Vellum Plots (B/W)	\$1.00/SF
	Bond Plots (B/W)	\$0.50/SF
	Drawing Reproduction	Cost +15%
	Document Reproduction	\$0.10/sheet
	-Outside Reproduction	Cost +15%
Travel	Company Auto	Prevailing IRS
	Rental Vehicle	Cost
	Airfare	Cost
	Meals and Lodging	Cost

EXHIBIT C

INSURANCE

The limits of liability for the insurance required by paragraph 8.3 of the Agreement are as follows:

	<u>Type of Insurance</u>	<u>Limits of Liability</u>
A.	Workers' Compensation	Statutory
B.	Employer's Liability	\$1,000,000
C.	Commercial General Liability	\$1,000,000 (Any One Occurrence) \$2,000,000 (Aggregate)

The CGL Policy will provide contractual liability coverage at the aforementioned limits.

D.	Business Automobile Liability	\$1,000,000 (CSL, Each Accident)
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Automobile liability coverage will include all owned, non-owned, and hired vehicles.

E.	Professional Liability Insurance (E&O)	\$2,000,000
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Consultant will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Contract caused by any error, omission, or act for which the Consultant is legally liable. Policies written on a claims-made basis shall have an extended reporting period of at least two (2) years beyond termination of the Contract.

F.	Umbrella Liability	\$5,000,000
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Umbrella liability coverage will apply to Employer's Liability, Commercial General Liability, and Business Automobile Liability.

Each policy, except Professional Liability, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability, and Professional Liability. In the event that the work of Consultant's employees fall within the purview of the United States Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or the Federal Employer's Liability Act, Consultant shall extend its insurance coverage to provide insurance against the liabilities imposed under the applicable Act or Acts.

Each policy, except Workers' Compensation and Professional Liability, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

DATE: July 19, 2016

TO: Port Commission

FROM: Sarah L. Garza, Director of Environmental Planning & Compliance
sarah@pocca.com
(361) 885-6163

Angela Leyva, Safety Manager
Angela@pocca.com
(361) 885-6107

AGENDA ITEM NO. 12.e

Award a Master SAAS Subscription and Services Terms and Conditions Agreement with Intellex Technologies Inc. to Provide an Environmental, Health and Safety Software Platform Solution

SUMMARY: Staff requests the award of a Master SAAS (Software as a Service) Subscription and Services Terms and Conditions Agreement with Intellex Technologies, Inc. (Intellex,) to provide an out-of-the-box, cloud-based software solution with mobile capabilities for the Port's environmental, health and safety recordkeeping needs. The annual subscription fee for the Intellex Platform is \$52,561.92. The agreement also includes implementation services in a not-to-exceed amount of \$142,420 to get the software solution properly configured for Port use, create templates to load our existing data after configuration, and training of end users.

This item is in the 2016 Capital Budget for the environmental modules. The health and safety modules were not budgeted. However, with the ramp up in the safety program of late and the recordkeeping associated with evaluating the Port's safety performance, a software solution is essential and there is a cost saving advantage to incorporating health and safety in a combined software solution. The cost breakdown between the environmental and health and safety is as follows:

	Environmental	Health and Safety	Administrative
Software Subscription Fee	\$24,540.96	\$10,185.96	\$17,835.00
Implementation – Configuration, Training, Testing, Deployment	\$97,840.00	\$29,580.00	\$15,000.00
Total	\$122,380.96	\$39,765.96	\$32,835.00

BACKGROUND: Staff issued an RFP for an off-the-shelf software that could provide a long-term solution to the current in house software which is a customized application

with limited ability to modify and no mobile (field) application. The RFP required minimal customization with greater ability and flexibility to collect, enter, share, maintain, evaluate and verify Port-wide environmental, health and safety performance.

Five (5) proposals were received and after evaluation, three (3) were short-listed. The short-listed proposers were invited to conduct demonstrations of their software to the evaluation committee. Intelix offered the lowest and best evaluated proposal based on the published evaluation criteria in the RFP and was determined to be the best software solution for PCCA based on the out-of-the-box functionality of the Intelix platform requiring no customization, user friendly solution, and cost. The Proposal Evaluation Sheet as well as the and Comparison of the Costs sheet summarizing the evaluation results are attached for reference

Currently, in the Department of Environmental Planning and Compliance, well over 150 man hours per month are spent between multiple employees collecting the required environmental data from various sources, summarizing the data, keying and reporting it out in various formats. This equates to approximately 25% (\$141,502) in operating costs per year on environmental recordkeeping which is the minimum to meet compliance requirements. Additionally, in the Safety Department, 50-75% (\$100,000) of the operating costs are related to time spent gathering, completing, compiling, and summarizing safety records. These operating costs do not reflect the additional field personnel operating costs for both environmental and health and safety recordkeeping or the accountability component of both departments. Additionally, there is an annual software licensing cost of \$1,149.86 to maintain the current in-house SQL database. Total costs associated with recordkeeping and benchmarking is approximately \$242,651.86.

The software solution will not only make the recordkeeping and summary reporting throughout the organization far more efficient but will also improve processes for follow up and accountability through automated escalating notification and prioritization functionality. This software solution will significantly reduce time Port-wide for recordkeeping and benchmarking requirements for both environmental and health and safety.

ALTERNATIVES: Do nothing and continue to use the antiquated SQL database with web access, access database and excel spreadsheets that have been created over the years for tracking environmental data. There is limited functionality with these in house ad hoc programs and as a result, the collection, compilation, and reporting of environmental and health and safety performance is inefficient. Currently, there is no recordkeeping solution in support of the health and safety program.

CONFORMITY TO PORT POLICY: This supports the efforts of the Strategic Plan and the associated action plans to be an environmental leader and to foster a safe and healthy workplace.

EMERGENCY: Not applicable.

FINANCIAL IMPACT: The annual subscription fee for the software solution is \$52,561.92 each year after implementation.

STAFF RECOMMENDATION: Staff recommends approval of the attached Master SAAS Subscription and Services Terms and Conditions Agreement with InteleX. Staff further recommends approval of the annual subscription fee and the implementation costs for a total amount of \$194,981.92 in 2016 and approval of the annual subscription fee of \$52,561.92 each year through July 31, 2019, for a total overall amount of \$300,105.76.

DEPARTMENTAL CLEARANCES:

Originating Department	Environmental Planning and Compliance
Reviewed By	Sarah Garza
	Tyler Fuhrken
	Angela Leyva
	Danielle Converse
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Proposal Evaluation Sheet

Comparison of Costs

Master SAAS Subscription and Services Terms and Conditions Agreement with InteleX Technologies, Inc.



Proposal Evaluation Sheet



#	Requirement	Criteria	Weight	Evaluation Committee Member 1			Evaluation Committee Member 2			Evaluation Committee Member 3			Evaluation Committee Member 4			Evaluation Committee Member 5		
				[Intelx] Score (0-5)*	[EHS Insight] Score (0-5)*	[Dakota Soft] Score (0-5)*	[Intelx] Score (0-5)*	[EHS Insight] Score (0-5)*	[Dakota Soft] Score (0-5)*	[Intelx] Score (0-5)*	[EHS Insight] Score (0-5)*	[Dakota Soft] Score (0-5)*	[Intelx] Score (0-5)*	[EHS Insight] Score (0-5)*	[Dakota Soft] Score (0-5)*	[Intelx] Score (0-5)*	[EHS Insight] Score (0-5)*	[Dakota Soft] Score (0-5)*
1	Vendor Demonstration	Vendor followed and performed each scenario listed in Vendor Demonstration Guidance	15%	4.00	5.00	1.00	4.00	5.00	2.00	4.00	5.00	2.00	4.00	4.50	1.50	5.00	5.00	2.00
		Vendor Functional Requirements score	40%	4.85	4.91	2.61	4.95	4.61	3.40	3.10	3.13	2.71	4.92	4.56	3.75	4.72	4.17	2.66
		Vendor Qualitative / Usability Requirements score	25%	4.39	4.39	2.27	4.85	4.39	2.58	5.00	4.55	2.27	4.77	4.24	3.33	4.77	4.02	1.82
2	Cost of Software	Proposed cost of software licensing for all modules requested using the template provided	10%	5.00	3.00	4.00	5.00	3.00	4.00	4.00	5.00	1.00	4.00	5.00	1.00	5.00	5.00	2.00
		Estimated cost for implementation and ongoing support using the template provided	10%	5.00	3.00	4.00	5.00	3.00	4.00	4.00	3.00	5.00	4.00	2.00	3.00	5.00	3.00	3.00
TOTAL SCORE				4.64	4.41	2.56	4.79	4.29	3.10	3.89	3.94	2.55	4.56	4.26	2.96	4.83	4.22	2.32

RANGE				
	Sum	Average	Min	Max
Intelix	22.71	4.54	3.89	4.83
EHS Insight	21.12	4.22	3.94	4.41
Dakota	13.50	2.70	2.32	3.10

**COMPARISON OF COSTS
PCCA REQUEST FOR PROPOSALS FOR EMIS**

Vendor	Implementation Cost	Licensing Cost (Annual)
Dakota Software	\$141,000	\$171,500
EHS Insight	\$229,000	\$23,400
Intelext	\$123,100	\$39,367

Note: This is the cost provided during the RFP. The costs were not permitted to increase greater than 25% during contract negotiations where more specific detail on PCCA user needs was identified.



MASTER SAAS SUBSCRIPTION AND SERVICES TERMS AND CONDITIONS

BY ACCEPTING THIS AGREEMENT OR USING THE INTELEX PLATFORM (AS DEFINED BELOW), YOU AGREE TO THESE TERMS AND CONDITIONS. IF YOU ARE ENTERING INTO THIS AGREEMENT ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE AUTHORITY TO BIND SUCH ENTITY AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS, IN WHICH CASE THE TERM "CUSTOMER" SHALL REFER TO SUCH ENTITY. IF YOU DO NOT HAVE SUCH AUTHORITY, OR IF YOU DO NOT AGREE WITH THESE TERMS AND CONDITIONS, YOU MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE INTELEX PLATFORM.

The Port of Corpus Christi Authority ("Customer") and Intelix Technologies Inc. ("Intelix") hereby agree as follows:

1. SCOPE

- 1.1. These terms and conditions apply to Customer's use of Intelix's Software-as-a-Service-based subscription services ("SaaS Service"), and professional and support services, along with any related work product (such SaaS Service, professional and support services and work product, collectively, the "Intelix Platform") ordered by Customer under an order form, statement of work, or other ordering document issued by Intelix (including any online form, which Customer agrees is subject to acceptance or rejection by Intelix) specifying the services to be provided hereunder ("Order") attached as Exhibit A and attached Exhibit B and C. These terms and conditions and all Exhibits (collectively, this "Agreement") represent the parties' entire understanding regarding the Intelix Platform and shall control over any different or additional terms of any purchase order or other non-Intelix ordering document, and no terms included in any such purchase order or other non-Intelix ordering document shall apply to the Intelix Platform. In the event of a conflict between the terms and conditions of this Agreement and any purchase order or non-Intelix ordering document, the terms of these terms and conditions of this Agreement shall control.

2. ACCESS TO INTELEX PLATFORM

- 2.1. **Right to Use Intelix Platform:** Intelix grants the Customer, subject to the terms and conditions of this Agreement, a non-assignable, non-transferable, non-exclusive right to permit Customer's Authorized Users to access and use the Intelix Platform solely for the Customer's internal business purposes, subject to any specific usage restrictions set forth in the Order.
- 2.2. **Service Level Agreement and Support:** Intelix will provide the Intelix Platform and related Support Services (as defined in the Service Level Terms) in accordance with the Service Level Terms set out below.
- 2.3. **Services:** Intelix will provide any required implementation and professional services as listed in Exhibits B and C.
- 2.4. **Data Protection:** Intelix will maintain industry standard administrative, physical and technical safeguards designed for the protection of the security, confidentiality and integrity of Customer Data, including measures designed to prevent access, use, modification or disclosure of Customer Data by Intelix personnel, except (i) as required to provide the Intelix Platform and prevent or address service or technical problems, (ii) as compelled by law in accordance with Section 6.1, or (iii) as Customer expressly permits in writing.
- 2.5. **Customer Property Protection:** During the performance of the Agreement Intelix may have access to the personnel, premises, equipment, and other property, including data, files and /or

materials (collectively referred to as “Customer Property”) belonging to the Customer. Intelix shall preserve the safety, security, and the integrity of the Customer Property and other property of the Customer. Subject to the terms and conditions of the Agreement, Intelix shall be responsible for damage to Customer's Data, equipment, workplace, and its contents when such damage is caused by Intelix's employees or subcontractors. Should Intelix fail to comply with Customer's reasonable security requirements when on Customer's premises, then Customer may immediately terminate the Agreement.

3. CUSTOMER RESPONSIBILITIES WITH RESPECT TO THE INTELEX PLATFORM

3.1. **Intelix Platform:** Except as expressly provided herein, Customer agrees that it will not itself, and will not permit others to: (i) sub-license, sell, rent, lend, lease or distribute the Intelix Platform or any intellectual property rights in the Intelix Platform or otherwise make the Intelix Platform available to others other than the Customer, its employees, agents, successors and assigns; (ii) modify the Intelix Platform in any way not authorized by Intelix; (iii) use the Intelix Platform in violation of any applicable law or for any purpose or in any manner not expressly permitted in this Agreement or the applicable Order, including, without limitation to reverse engineer, de-compile, disassemble or create any derivative works of the Intelix Platform not authorized by Intelix; or (iv) remove or obscure any proprietary notices or labels on the Intelix Platform, including, without limitation, brand, copyright, trademark and patent or patent pending notices.

3.2. **Other Responsibilities:** The Customer shall ensure that: (i) the maximum number and type of Authorized Users that will be permitted to use the Intelix Platform and their mode of access shall comply with the applicable Order; (ii) the Authorized Users will use the Intelix Platform in accordance with the terms and conditions of this Agreement and the applicable Order; and (iii) its network and systems used in conjunction with the Intelix Platform comply with the relevant specifications provided by Intelix from time to time. Customer is solely responsible for procuring and maintaining its network connections and telecommunications links from its systems to Intelix's data centres, and maintaining the security of its equipment and account access passwords. If either party discovers that Customer has exceeded the applicable number and type of Authorized Users in the applicable Order, or that the aggregate size of the Customer Data has exceeded the Default Storage Capacity, such party will immediately notify the other party, and Customer will pay Intelix its then-current fees for such overage up to that point. Thereafter, Intelix may either (a) require Customer to either bring its usage within the limits of such restrictions or (b) increase Customer's permitted number of Authorized Users, or Default Storage Capacity (subject to continued payment of such fees for such overage).

3.3. **Customer Data:** Customer acknowledges that responsibility for the collection and input of Customer Data is the sole and exclusive responsibility of Customer. Intelix will not be responsible in any way for any intellectual property infringement or violation or the violation of any other person's rights or the violation of any laws, including but not limited to infringement or misappropriation of copyright, trademark or other property right of any person or entity, arising or relating to the Customer Data. In relation to all personnel data comprised within the Customer Data, Customer warrants that such data shall have been obtained and supplied to Intelix in compliance with applicable data protection legislation, including Customer having obtained all necessary consents and approvals from users that are necessary to permit Intelix to provide the services under this Agreement. Customer further agrees to not use the Intelix Platform to store, process or transmit (i) account number, credit or debit card number, with or without any required security code, or password that would permit access to an individual's financial account, or any other sensitive financial information.



4. PAYMENT AND INVOICING

- 4.1. **Fees:** Except as otherwise specified in this Agreement or in the Order, fees are based on SaaS Services, Authorized Users and Professional Services listed in the Order and not on actual usage. SaaS Services and Authorized Users are purchased on a subscription basis (“Subscriptions”) for an annual subscription fee (the “Annual Subscription Fee”) as specified in the Order. Additional Subscriptions may be added during the Subscription Term (as defined below). Fees for Professional Services will be as set out in the applicable Exhibits.
- 4.2. **Invoicing and Payment:** Customer will provide any required purchase orders promptly on signing of the Order. All fees may be invoiced in advance. Invoiced charges are due within thirty (30) days from invoice date. Payment obligations are non-cancelable and fees paid are non-refundable. Customer is responsible for providing Intelix with complete and accurate billing and contact information and notifying Intelix of any changes to such information.
- 4.3. **Late Payment:** If any amounts not under a good-faith dispute, are not received by the due date, then at Intelix’s discretion: (i) such charges may accrue late interest at the rate of 1.5% compounded (19.6% per annum) of the outstanding balance per month or the maximum rate permitted by law, from the date the payment was due until the date paid; and/or (ii) Intelix may, without limiting its other rights and remedies, suspend Professional Services or Support Services until such amounts are paid in full.
- 4.4. **Taxes:** As per Section 151.309, Texas Tax Code, Customer is exempt from the assessment of State sales, use and excise taxes. Customer shall provide Intelix with the tax exemption certificate, promptly on signing of this Agreement. Further, Customer is exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i). Intelix is solely responsible for taxes assessable against it based on its income, property or employees.

5. PROPRIETARY RIGHTS

- 5.1. **Intelix Platform:** Subject to the limited rights expressly granted hereunder, Intelix reserves all rights, title and interest in and to the Intelix Platform and all modifications and improvements to the Intelix Platform (including Aggregate Data), plus all related intellectual property rights. Except as expressly stated in this Agreement, this Agreement does not grant Customer any rights to, or in, patents, copyrights, database rights, trade secrets, trade names, trademarks (whether registered or unregistered), or any other rights or licenses in respect of the Intelix Platform.
- 5.2. **Customer Data:** Customer reserves all rights, title and interest in and to the Customer Data, and subject to the limited rights granted by Customer hereunder, Intelix acquires no right, title or interest from Customer under this Agreement in or to Customer Data or any intellectual property rights therein. Customer grants Intelix a limited license to copy, transmit, display and modify such Customer Data, solely as necessary for Intelix to provide services to Customer under this Agreement, as well as to compile, use and disclose Aggregate Data in connection with Intelix’s offerings.

6. CONFIDENTIALITY

- 6.1. Intelix acknowledges that Customer is a government agency subject to the Texas Public Information Act. Intelix also acknowledges that Customer will comply with the Public Information Act, and with all opinions of the Texas Attorney General’s office concerning this Act.
- 6.2. Customer and Intelix agree that in connection with this Agreement and their relationship, they may obtain Confidential Information. The receiving party shall at all times keep in trust and confidence all such Confidential information, and shall not use such Confidential Information other than as expressly authorized by the disclosing party under this Agreement, nor shall the receiving party



- disclose any such Confidential Information to third parties without the disclosing party's written consent.
- 6.3. Notwithstanding the above, Intelix shall be authorized to disclose Customer's Confidential Information to contractors or employees of an Intelix entity who have a legitimate business need to have access to such information. All Customer's Confidential information will be destroyed unless, as allowed under record and retention policies and laws, the receiving party shall immediately return to the disclosing party all Confidential Information (including copies thereof) in the receiving party's possession, custody, or control upon termination or expiration at any time and for any reason of this Agreement, on the disclosing party's request.
 - 6.4. The obligations of confidentiality shall not apply to information which (a) has entered the public domain, except where such entry is the result of the receiving party's breach of this Agreement; (b) prior to disclosure hereunder was already rightfully in the receiving party's possession; (c) subsequent to disclosure hereunder is obtained by the receiving party on a non-confidential basis from a third party who has the right to disclose such information to the receiving party. The receiving party will be authorized to disclose Confidential Information pursuant to a valid order issued by a court or government agency, provided that the receiving party provides (i) prior written notice to the disclosing party of such obligation and (ii) the opportunity to oppose such disclosure.
 - 6.5. Customer may disclose information necessary to comply with the Texas Public Information Act. Intelix shall not disclose, advertise, or publish the terms and conditions of this Agreement without the prior written consent of the Customer. Any press release or publication by Intelix regarding this Agreement is subject to prior review and written approval of Customer. Customer may publish the contract in its customary manner or as required by law or for the conducting of public business.
 - 6.6. **Feedback:** To the extent Customer provides any suggestion, idea, enhancement requests, recommendations or comments ("Feedback"), such Feedback will not be considered Confidential Information, unless so specified, and Intelix will have the unrestricted right to use, profit from, disclose, publish or otherwise exploit any Feedback that is not Confidential Information without any compensation to Customer.

7. WARRANTIES

- 7.1. **SaaS Services Warranty:** Intelix warrants that the SaaS Services, as delivered, shall perform materially in accordance with the specifications contained in the then current Documentation that relates to the SaaS Services. In the event of any breach of the warranty in this sub-section during the term of this Agreement, Intelix shall, as its sole liability and Customer's sole remedy with respect to breach of this warranty, diligently remedy such deficiencies that cause the SaaS Services to not conform to this warranty. If Intelix determines that it is unable to remedy such deficiencies, Intelix may terminate that portion of the applicable Order affected and refund to Customer a pro rata amount of the fees actually paid by the Customer to Intelix for the unused Subscription Term of the defective SaaS Services.
- 7.2. **Professional Services:** Intelix warrants that the Professional Services and Support Services will be performed in a professional and workmanlike manner consistent with applicable industry standards. Customer's sole and exclusive remedy with respect to this warranty will be that Intelix shall correct the breach of this warranty within a commercially reasonable period of time, provided that Customer reports any warranty claims to Intelix within thirty (30) days of the delivery of the related Professional Services or Support Services.
- 7.3. **DISCLAIMER:** EXCEPT FOR THE EXPRESS WARRANTIES SET OUT IN THIS SECTION, INTELEX MAKES NO OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION THAT OPERATION AND

ACCESS OF THE INTELEX PLATFORM WILL BE UNINTERRUPTED OR ERROR FREE, OR ANY IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE OR SATISFACTORY QUALITY OR THOSE ARISING FROM STATUTE OR USAGE OF TRADE.

8. INDEMNIFICATION

- 8.1. **Intelix hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the “Customer” for the purposes of this Section 8) from liability for and assumes the risk of loss or damage to the property of Intelix and the injury or death of any person employed by Intelix, provided that such liability, loss or damage is not caused by an act or omission of the Customer. Intelix shall defend the Customer, at Intelix’s sole cost, from any action, proceeding, demand or claim arising due to physical injury or death to an individual or damage to physical property to the extent caused by the negligent acts, errors, or omissions of Intelix, its employees, agents or sub-consultants in the performance of Services under this Agreement (the “Third Party Claims”), and will indemnify Customer for all damages, losses, costs and expenses, of any nature whatsoever as a result of the Third Party Claims, finally awarded against the Customer by a court of competent jurisdiction, or agreed to in settlement by Intelix. Intelix is not obligated under this paragraph to indemnify the Customer for the negligent acts of the Customer.**
- 8.2. **Intelix will defend at its expense any IP Infringement Claim and will pay all costs and damages finally awarded against Customer by a court of competent jurisdiction or any settlement amounts finally agreed to by Intelix as a result of any such Claim, provided that Customer (i) promptly notifies Intelix in writing of such Claim, (ii) transfers sole control of the defense of the Claim and all negotiations leading to a settlement or resolution (provided that Customer will have the right to reasonably participate, at its own expense, in the defense of any such Claim); and (iii) fully co-operates with and assists Intelix in the defense of such Claim.**
- 8.3. **Notwithstanding the foregoing, such indemnity shall not apply, and Intelix shall have no liability, for any claim of infringement to the extent caused by: a) modification of the Intelix platform by Customer or a third party; b) the amount or duration of use which Customer makes of the Intelix Platform, revenue earned by Customer from services it provides that use the Product, or services offered by Customer to external or internal customers; c) combination, operation, or use of the Intelix Platform with non-Intelix products, software or business processes; d) Customer’s use of the Intelix Platform after Intelix informs Customer of modifications or a change required to avoid such claims and offers to implement those changes; and e) any modifications made to the Intelix Platform by the Intelix pursuant to Customer’s specific instructions.**
- 8.4. **If Intelix becomes aware of an actual or potential claim, or Customer provides Intelix with notice of an actual or potential claim, Intelix may (or in the case of an injunction against Customer, shall), at Intelix’s sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer’s use is non-infringing; or (iii) terminate that portion of the applicable Order corresponding to the Claim and refund to Customer a pro rata amount of the fees actually paid by the Customer to Intelix for the unused Subscription Term of such Order.**
- 8.5. **Intelix’s indemnity obligations under this Section 8 shall not be limited by a limitation on the amount or type of damages.**



- 8.6. THE FOREGOING REPRESENTS CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND INTELEX'S ENTIRE LIABILITY AND OBLIGATION WITH RESPECT TO ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHT.

9. LIMITATION OF LIABILITY

For any claim or cause of action arising under or related to this Agreement: i) to the extent permitted by the applicable law, none of the parties shall be liable to the other for punitive, special, incidental, indirect, lost revenue or lost profits, or consequential damages, whether arising in contract, tort (including negligence) or otherwise even if it is advised of the possibility of such damages; and ii) Intelix's liability to the Customer shall be limited to the total amount paid to Intelix under the Agreement during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Intelix's liability shall not apply to its indemnification obligations pursuant to Section 8 of this Agreement.

10. INSURANCE

Intelix shall carry, at all times while providing Services hereunder, the required coverage set forth in Exhibit D attached hereto, and with reputable insurance companies. Prior to execution of this Agreement, Intelix will provide to Customer certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Customer, Customer acting reasonably. The requirement to provide acceptable certificates of insurance is a material condition of this Agreement, and work under this Agreement will not commence until certificates of insurance have been received, reviewed, and accepted by Customer. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit D attached hereto, which is incorporated herein by reference.

11. TERM

The term of this Agreement shall be for the subscription term set out in the first Order under this Agreement (the "Initial Term"). The Agreement will automatically renew for additional periods of one year (the Initial Term along with any renewal periods being the "Subscription Term") unless Customer gives notice of non-renewal at least 60 days before the end of the Subscription Term. Additional Subscriptions purchased on any subsequent Order will co-terminate with the Subscription Term. The term of Exhibits B and C will be for the Initial Term, unless extended by mutual agreement of both parties

12. TERMINATION

- 12.1. **Termination for Non-Appropriation by Customer:** Customer may terminate any Order if funds sufficient to pay its obligations under the Agreement are not appropriated by its governing body. In the event of non-appropriation, Intelix will be provided ten (10) calendar days written notice of intent to terminate. Notwithstanding the foregoing, if Customer issues an Order and has accepted delivery of the services, Customer is obligated to pay for the services or they may discontinue using services under any return provisions that Intelix offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Agreement, nor shall it be



- liable for any further payments ordinarily due under this Agreement, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.
- 12.2. **Termination for Cause:** If either party fails to substantially comply with any material provision of this Agreement or any Order, and such breach has not been cured within thirty (30) days after receipt of written notice thereof, the non-breaching party may terminate this Agreement or the affected Order. Upon expiration or termination of this Agreement, (a) Customer shall cease any further use of the Intelix Platform or Documentation, (b) each Receiving Party will return or destroy, at the Disclosing Party's option and upon written request, the Disclosing Party's Confidential Information in the Receiving Party's possession or control, (c) all fees that have accrued as of such expiration or termination, and Sections 5, 7.3, 8, 9, 10 and 14, will survive any expiration or termination of this Agreement or the affected Order and (d) if this Agreement or an Order is terminated due to Intelix's uncured breach, Intelix will refund to Customer a pro rata amount of the fees actually paid by the Customer to Intelix for the unused subscription term of the affected Order.
- 12.3. **Return of Customer's Data on Termination:** On termination of the Agreement, Intelix will return Customer Data in an industry-standard format, on Customer's request. Intelix will delete all Customer Data from the Intelix Platform within 90 days of termination of this Agreement.
13. **DISCLOSURE OF INTERESTED PARTIES**
 Intelix will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Customer at the time Intelix submits the signed agreement to Customer.
14. **GENERAL**
- 14.1. **Assignment:** Neither party may assign this Agreement nor any rights or obligations herein without the other party's prior written approval, except that either party may assign this Agreement to a successor to substantially all of its assets or business related to this Agreement. Any purported assignment in violation of this Section shall be void.
- 14.2. **Miscellaneous:** Notices to Intelix provided must be addressed to the Chief Financial Officer of Intelix and faxed to 1 416 599 6867. Notices to Customer are to be given jointly to the Attention of the Director of Information Technologies and the Director of Environmental Planning and Compliance, Port of Corpus Christi Authority, P.O. Box 1541, Corpus Christi, Texas 78403. Any modification of these terms and conditions must be in writing, and signed by each party's authorized representative.
- 14.3. **Choice of Law:** This Agreement shall be governed by the laws of the State of Texas, and the courts of Nueces County, Texas, shall have the exclusive jurisdiction over all matters arising under this Agreement. The parties expressly exclude application of the provisions of the United Nations Convention on Contracts for the International Sale of Goods (the Vienna Conventions, 1980). If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect.

**15. DEFINITIONS**

- 15.1. "Aggregate Data" means the Customer Data received by Intelex that has been subsequently compiled on an aggregate and anonymous basis
- 15.2. "Authorized Users" means those employees, agents and independent contractors of the Customer who are authorized by the Customer to use the Intelex Platform in accordance with the number and types of users as set out in the Order.
- 15.3. "IP Infringement Claim" means any claim suit or proceeding filed against Customer by any third party to the extent that such claim, suit or proceeding asserts that the Intelex Platform infringes any intellectual property rights of such third party in Canada or the United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with performances or actions of Intelex pursuant to this Agreement.
- 15.4. "Confidential Information" means all confidential information disclosed by a party (the "Disclosing Party") to the other party (the "Receiving Party") whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of the disclosure, and includes the terms and conditions of this Agreement and all Orders (except to the extent disclosure is necessary for Customer to get requisite approvals to enter into this Agreement) as well as business and marketing plans, technology and technical information, product plans and designs and business processes disclosed by such party, and where Disclosing Party is Intelex shall include the Intelex Platform, but does not include any information that (i) is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party, (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (iii) is received from a third party without breach of any obligation owed to the Disclosing Party, or (iv) was independently developed by the Receiving Party. Where the Disclosing Party is the Customer, Confidential Information shall not include any information provided by the Customer through the public forums on Intelex Community, or any successor site.
- 15.5. "Documentation" means as related to the SaaS Services, the documentation and online help made available to Customer via www.intelex-exchange.com or any successor site.
- 15.6. "Customer Data" means all electronic data or information submitted by Customer to be stored or processed in the Intelex Platform.
- 15.7. "Taxes" means any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, sales and use, or withholding taxes, assessable by any local, state, provincial, federal or foreign jurisdiction.
- 15.8. "Default Storage Capacity" means the maximum allowable aggregate size of the Customer Data that may be stored on the Intelex Platform, which is 50 gigabytes.

SERVICE LEVEL AGREEMENT TERMS**1. ADDITIONAL DEFINITIONS**

- 1.1. "Business Day" means any week day of the year (Monday through Friday) except for the following: New Year's Day (January 1), Labor Day, American Thanksgiving, and Christmas Day (December 25).
- 1.2. "Defect" means any error, problem or malfunction of the SaaS Service such that the SaaS Service does not conform to the Documentation.
- 1.3. "Downtime" means any period where the SaaS Service is not available to the Authorized Users, excluding Exempt Downtime.
- 1.4. "Exempt Downtime" means Downtime that is (i) scheduled maintenance time necessary to implement any updates, upgrades or other modifications to the SaaS Service or perform routine,



emergency or ad hoc maintenance activity and for which Intelix has provided Customer with reasonable advance notice; or (ii) is caused by failure of equipment not included in the SaaS Infrastructure, including but not limited to, interruption of failure or telecommunication or digital transmission links, hostile network attacks, network congestion, denial of service attacks, failure of the Internet generally, or any action or inaction of the Customer or any third party.

- 1.5 “Hosting Partner” means the third party provider of hosting services that operates a certified hosting center equivalent to SSAE16 Type II SOC1 certification.
- 1.6 “Response” means an acknowledgment of the Notification, as defined in Section 3.4 of these Service Level Agreement Terms, and assignment of a support representative to investigate the related Defect.
- 1.7 “Update” means the release of the SaaS Service containing improvements and adjustments to the SaaS Service made at Intelix’s sole discretion, however not including major structural changes and/or new important features. The change to an Update will be recognized by an increase in value of the secondary version number (e.g. version x.1 to be replaced by version x.2).
- 1.8 “Upgrade” means the release of a version of the SaaS Service containing major changes to the structure and functionality of the Software made at Intelix’s sole discretion, where important new features may be added. The new release of the Upgrade will be recognized by an increase in value of the primary version number (e.g. version 3.x to be replaced by version 4.x).

2. AVAILABILITY

- 2.1 The SaaS Service shall be available 99.9% of the time, as calculated monthly on a 24h/7 day basis and excluding any Exempt Downtime.
- 2.2 If Intelix fails to meet the availability commitment as per section 2.1, Subscriber, shall, as its sole and exclusive remedy for such failure, be entitled to a credit as follows:

Actual Availability Percentage	Service Credit
>=99.9%	No credit
99 to 99.89%	3% of the monthly Hosting Fee
98 to 98.99%	6% of the monthly Hosting Fee
97 to 97.99%	10% of the monthly Hosting Fee
< 97%	20% of the monthly Hosting Fee

Service Credits will be applied on the next invoice for the Annual Subscription Fee. The total Service Credits for any Subscription Term will not exceed the Subscription Fee for that Subscription Term.

3. SUPPORT SERVICES

- 3.1 Support Hours: Intelix shall provide Support Services every Business Day from the hours of 7:30 am EST to 8:00 pm EST.
- 3.2 “Support and Maintenance Services” means (i) online support to Customer’s system administrator users relating to technical issues, errors or problems with the SaaS Service; (ii) access to online resources via Intelix Exchange, or its future successor; (iii) notification of and access to Intelix release patches and Documentation released by Intelix; and (iv) notification of and access to Updates and Upgrades of the SaaS Service. Support and Maintenance Services do not include new



- applications and modules released by Intelix that include significantly different features and functionality, which are packaged and licensed as separate applications and modules.
- 3.3. Supported versions: Intelix will provide Support and Maintenance Services for the most current Upgrade and the immediately previous Upgrade of the SaaS Service released by Intelix to its customers and for the environments as described in the Platform Support Policy, as may be amended from time to time.
- 3.4. Items not covered by Support and Maintenance Services: Intelix is not obligated to provide Support and Maintenance Services for errors or problems caused by the following: (i) third-party components not provided by Intelix, including Customer's infrastructure and network; (ii) use of the SaaS Service other than in a recommended environment described in the Platform Support Policy available as may be amended from time to time; (ii) training or walk-throughs of the SaaS Service, change requests, end user requests or troubleshooting with end users; or (iii) continued use of a version of the SaaS Service for which Support and Maintenance Services in not provided in accordance with Section 3.3 above.
- 3.5. Notification: If Customer suspects that a Defect exists in the SaaS Service, Customer will notify Intelix (the "Notification") (i) through the online ticketing tool on Intelix Exchange; and (ii) for Severity 1 Defects that Customer detects after Support Services Hours, Customer may also call (416) 847 8985. The Notification shall describe the nature of the suspected Defect and provide details of the circumstances of its occurrence sufficient, at Intelix's discretion, for Intelix to be able to reproduce the suspected Defect.
- 3.6. Service Levels: Intelix offers the following service levels for its Support Services:

Defect	Impact	Response Time
Severity 1 Item	Software is entirely inoperable as follows: (i) no users are able to log on to the Software; and (ii) no records can be submitted system-wide.	1 hour from time of Notification for Defect on production environment
Severity 2 Item	Customer is able to use the Software but fundamental software functions are entirely inoperable. A fundamental software function is any one of the following: (i) Inability to run reports; (ii) Failure of Application (e.g. cannot submit records for a certain application); (iii) Failure of Email (All mails are not generating or going out); (iv) Failure of Event Services; and (v) Multiple users are prevented from accessing the Software.	1 Business Day from time of Notification for Defect on production environment



Severity Item	3	Defect in the Software that does not meet the criteria for Severity 1 or Severity 2 Defect, including: (i) individual reports are not running; (ii) application defects: cannot close individual records; cannot advance workflow on individual records; cannot modify certain fields; (iii) individual emails are not generated and/or sent; (iv) individual imports cannot be run; and (v) failure of individual event services	3 Business Days from time of Notification
Severity Item	4	a support inquiry, including: (i) specific functionality questions; (ii) Intelex process questions; (iii) defects regarding Intelex-Exchange; and (iv) patch requests	5 Business Days from time of Notification

4. CUSTOMER OBLIGATIONS

Customer agrees to provide Intelex with all information and materials requested by Intelex, including reasonable access to the SaaS Service to enable replicating, diagnosing and correcting a Defect reported by Customer. Customer acknowledges that Intelex's ability to provide satisfactory



Support Services is dependent on Intelex having the information necessary to replicate the reported problem with the SaaS Service.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by them or their duly authorized representatives effective as of July 19, 2016.

Port of Corpus Christi Authority
Of Nueces County, Texas

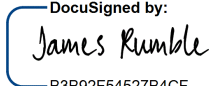
By: _____

Name: John P. LaRue

Title: Executive Director

Date Signed: _____

Intelex Technologies, Inc.

DocuSigned by:

B3B92E54527B4CF

By: _____

Name: James Rumble

Title: Chief Financial Officer

Date Signed: 7/7/2016



EXHIBIT A
ORDER



Order Form

Order Number: **00005344**
Date: **May 02, 2016**
Quote Expiration Date: **June 30 2016**

Client:

Port of Corpus Christi
Sarah Garza
222 Power St,
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Intelex:

Intelex Technologies Inc.
Ryan Reeve
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Toronto, Ontario, M6K3G9 Canada

Email: ryan.reeve@intelex.com
Phone: +1 (416) 599-6009
Fax: +1 (416) 599-6867

We are pleased to provide you with the quotation which is valid until the expiration date noted above

General Contract Information

Subscription Start Date: 08/01/2016
Billing Frequency: Annual
Currency: USD

Subscription End Date: 07/31/2019
Initial Term: 36 Months



Order Form

ORDER Number: **00005344**

ORDER DETAILS

Intelex Software

Product	Start Date	End Date	Annual Subscription Fee/Unit	Qty	Annual Subscription Fee
Compliance Tracking	08/01/16	07/31/19	\$4,930.00	1	\$4,930.00
Audit Management	08/01/16	07/31/19	\$1,522.50	1	\$1,522.50
Permits Management	08/01/16	07/31/19	\$1,450.00	1	\$1,450.00
Environmental Aspects & Impacts	08/01/16	07/31/19	\$1,450.00	1	\$1,450.00
EHS Incident Management	08/01/16	07/31/19	\$7,540.00	1	\$7,540.00
Waste Management	08/01/16	07/31/19	\$3,480.00	1	\$3,480.00
Training Management	08/01/16	07/31/19	\$2,645.96	1	\$2,645.96
Sustainability Performance Indicator	08/01/16	07/31/19	\$4,350.00	1	\$4,350.00
SDS Library	08/01/16	07/31/19	\$2,175.00	1	\$2,175.00
1 Object	08/01/16	07/31/19	\$543.46	1	\$543.46
Water Quality Management	08/01/16	07/31/19	\$4,640.00	1	\$4,640.00
Total Annual Software Subscription Fee:					\$ 34,726.92

Authorized Users

Product	Start Date	End Date	Annual Subscription Fee/Unit	Qty	Annual Subscription Fee
System Administrator Users	08/01/16	07/31/19	\$1,015.00	3	\$3,045.00
Full Access Users	08/01/16	07/31/19	\$870.00	6	\$5,220.00
Supervisor Access Users	08/01/16	07/31/19	\$870.00	6	\$5,220.00
Limited Access Users	08/01/16	07/31/19	\$435.00	10	\$4,350.00
Total Annual User Subscription Fee:					\$ 17,835.00

Total Annual Subscription Fee:	\$ 52,561.92
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Annual Subscription Fee

Term	Fees
Term 1 August 01, 2016 — July 31, 2017	\$ 52,561.92
Term 2 August 01, 2017 — July 31, 2018	\$ 52,561.92
Term 3 August 01, 2018 — July 31, 2019	\$ 52,561.92



Order Form

Payment Terms

- Annual Subscription Fees in the amount of **\$ 52,561.92**, covering the period July 01, 2016 to June 30, 2017, will be invoiced following the signing of this Order.

Additional Notes:

REQUIRED – Purchase Order

Is a Purchase Order (PO) required for the purchase or payment of the fees outlined in this Order Form?

Please Select: { } Yes, { } No

If yes, please complete the following:

Purchase Order Number:

REQUIRED – Sales Tax Exception

Is a Sales Tax Exemption required? (If yes, please provide certificate): { } Yes, { } No

REQUIRED – Billing Contact

Billing Contact:

Phone:

Email:

Billing Address:



EXHIBIT B
STATEMENT OF WORK – PHASE 1

1. Introduction

1.1 Document Use

The purpose of this Statement of Work (“SOW”) is to serve as scope definition for the project for Phase I. During the project, design documents will be jointly developed to define scope and deliverables at a level of granularity required for a detailed project plan.

Changes to this SOW will be processed in accordance with the procedures described in section 3.1 Change Orders of this Exhibit.

2. Statement of Work

2.1 Project Context

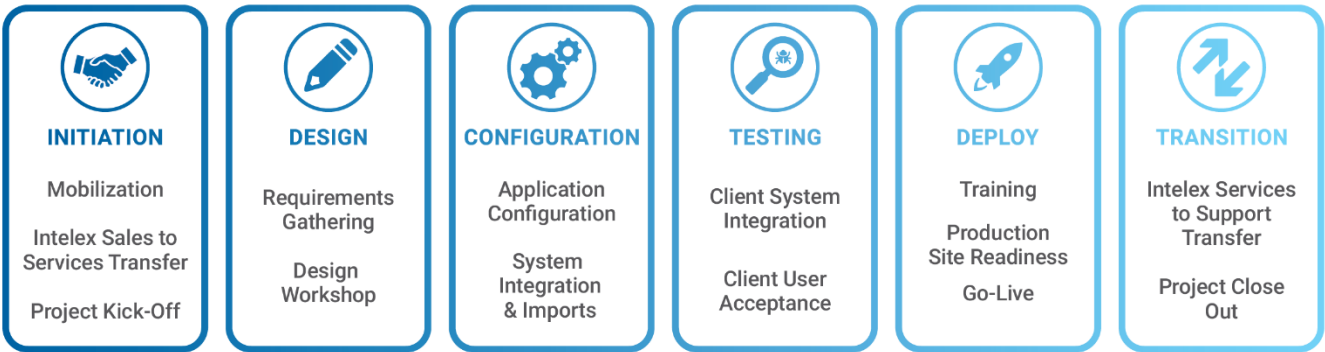
The purpose of the project will be to leverage the Intellex licensed software (“Licensed Technology”) to support Port of Corpus Christi Authority’s (PCCA) Environmental Management Information System (EMIS) project (“Solution”).

The project will follow the Intellex Compass Implementation Methodology and will occur in three phases with three separate design workshops and iterative configurations. This first Statement of Work outlines the first phase of this project which will establish the base system footprint and meet the requirements of existing PCCA ISO14001 program. This project will encompass identifying an architecture for the project; gathering detailed requirements related to the in-scope applications; Audits Management, Compliance Tracking, Environmental Aspects & Impacts, and Permits Management.

The applications will then be configured. Intellex will provide training and consulting services related to the data import tool and reporting options. The Solution will then go through user acceptance testing and the final solution will be deployed in an Intellex hosted environment.

2.2 Compass Implementation Methodology

Figure 1: Intellex Compass Implementation Methodology



For the applications included in the scope of this engagement, Intellex will utilize its Compass project methodology for the implementation of the Solution. Initiation of the project includes a kickoff meeting between Intellex and PCCA, and the development of an initial project plan. During the design phase, specifications and configurations for the Intellex applications will be identified and documented in a mutually-agreed specifications document that is developed following the design workshop.

In addition to the applications, details of any data migration or interfaces, as well as reports, will be documented. Configuration of the solution will then occur as per the approved specifications. The configured solution is then delivered to PCCA for user acceptance testing. In preparation to deploy the final solution, training is provided and Intellex will support PCCA as the solution is moved in to

Production. Following a period of post go-live support, the project team will transition on-going support to the Intellex Application Support Department (ASD).

2.3 Project Scope

The following Applications constitute the first phase Scope for this Project. Additional phases will be scoped in the subsequent Statements of Work and are outlined in Appendix C & D.

2.3.1 Standard Applications

- Audits Management
- Compliance Tracking
- Environmental Aspects & Impacts
- Permits Management

2.4 Key and Project Related Assumptions

This SOW and Estimated Charges are based on the requirements provided in the PCCA's EMIS Request for Proposals dated January 2016 and Intellex's Response dated January 29, 2016 on the following key assumptions; the activities listed in sections 2.7 Intellex Activities, and 2.8 PCCA Responsibilities.

1. The Production and non-Production versions of the System will be hosted by Intellex.
2. Configuration of the Licensed Technology will not commence until the Specifications Document is mutually agreed to by both parties.
3. "Business Day" means any day other than Saturday, Sunday or a statutory holiday in Ontario, Canada or the United States of America, for the duration of Intellex business hours. Intellex business hours are between the hours of 08:30 and 17:00 EST (13:30 and 22:00 GMT). Support and Consulting services can be provided outside of these hours at PCCA's request and as mutually agreed to by both Project Managers.
4. Any additional configuration, data migration, interfaces to third party systems, report building, or any other item not listed as in scope will require a change order.

2.5 Out of Scope

The following is a non-comprehensive list of the items that were explicitly discussed with PCCA and are not in scope.

1. Data Migration (Intellex will provide training and consulting services to PCCA of our Data Import Tool).
2. Customization of Intellex Platform or API.

3. Development of reports or dashboards by InteleX. (InteleX will provide training and consulting services to PCCA).

2.6 InteleX Activities

Under this SOW InteleX will undertake the following activities:

2.6.1 Project Initiation

InteleX will arrange and lead a project kickoff with the PCCA team with the purpose of bringing together the key resources and stakeholders who will be engaged in the project. An overview of the Solution to be delivered, the project organizational structure, the communication plan and the preliminary schedule and timeline will be the subjects addressed during the Project Kickoff.

InteleX will prepare the hosted environment with the Licensed Technology.

Deliverables: Initial Project Plan

2.6.2 Solution Design Workshop

In preparation for the Design Workshop, InteleX will review all relevant reference documentation provided by the PCCA, including but not limited to functional requirements, current forms, workflow descriptions or diagrams, reports, dashboards, and procedures. InteleX will provide introductory training to the PCCA on the pre-configured standard applications and the Solution, and on the InteleX project methodology to support discussions during the workshop. InteleX will prepare an agenda for the workshop.

The detailed solution design will occur in a Design Workshop during which InteleX will lead the process for gathering and analyzing requirements for the project. The business capabilities and requirements will be defined to reflect the desired user experience, business process workflow, as well as specific business rules and logic. Forms and sub forms will be reviewed, as well as role access and security for each form. Any third-party interfaces and data imports will be identified, as well as reporting requirements. Using information gathered during the workshop as input, the InteleX Project Manager will refine the project plan.

Following the workshop, InteleX will document any workflow, data interfaces/imports and reports in the Specifications Documentation. Also identified will be form-level detail, user roles and security. The Specifications Documentation will detail the necessary configuration; and guide the development and implementation of the Solution.

The Design Workshop will be conducted Onsite by two (2) InteleX resources for a period of 1 Business Day.

Deliverables: Design Workshop Agenda, Revised Project Plan, Specifications Documentation

2.6.3 Configuration

2.6.3.1 Standard Applications

Intelex will, based on the prioritized list of requirements from the Design Workshop and captured in the Specifications Documentation, complete the configurations to the Standard Applications using the existing capabilities of Intelex Application Builder. The applications will be configured within the scope as outlined for the project and follow the requirements as identified in Appendix 1, Table 1.

Deliverable: Configured Solution for User Acceptance Testing

2.6.3.2 Reports and Dashboards

Intelex will provide phone and e-mail consultation to PCCA during the Business Day on developing reports using Configurable Reports.

Intelex will provide up to 8 hours of consulting support.

2.6.4 Testing

2.6.4.1 PCCA User Acceptance Testing (UAT)

Intelex shall perform a walkthrough of the configured application(s) and assist PCCA personnel with testing the Solution. PCCA is to prepare a test plan based upon the Product documentation and Specifications Documentation. Intelex will provide phone and e-mail consultation during the Business Day in response to questions during UAT.

Intelex will provide up to 16 hours of consulting support over a mutually agreeable time period.

2.6.4.1 Re-Work and Fine Tuning

Intelex will estimate, provide consultation, and configuration of application changes identified during User Acceptance Testing. Identified items will be prioritized by PCCA and Intelex.

Intelex will provide up to 4 hours of consulting services for configuration and consultation. If system defects or configuration errors caused by Intelex are found during UAT, time spent for resolving such issues will not count against these hours.

2.6.5 Training

Intelex will provide training as per the following table:

Training	Training Description	Location
System Administration Training	Intelex will provide one (1) session of training on each of the configured applications: Audits Management, Compliance Tracking, Environmental Aspects & Impacts, and Permits Management and core platform functionality: System Administration I & II, Reports, Dashboards & Homepages. Intelex estimated to provide 8 x 90 minute training sessions.	Instructor Led Online
Train-the-Trainer Training	Intelex will provide one (1) session of training on each of the configured applications: Audits Management, Compliance Tracking, Environmental Aspects & Impacts, and Permits Management and core platform functionality: Reports, Dashboards & Homepages. Intelex estimated to provide 6 x 90 minute training sessions.	Instructor Led Online
Data Import Tool	Intelex will provide training and best practices consulting services on the Data Import Tool. Intelex will provide one (1) sample import template and setup. Intelex estimated to provide 16 hours of training and consulting services.	Instructor Led Online

2.6.6 Deployment

2.6.6.1 Production System Installation

Upon completion of UAT, Intelex will update the PCCA's environment in Intelex's hosting environment with the final Solution.

2.6.6.2 Go Live Support

Intelex will respond to questions that may arise during Go-Live as PCCA prepares to put the Solution into Production use.

Intelex estimated to provide up to 4 hours of Go-Live Support within a mutually agreeable time period immediately following Production System Installation.

2.6.6.3 Post Go Live Support

During the Post Go-Live period (mutually agreeable time period after Go-Live), Intelex project team will work with PCCA to prioritize and address potential issues. Upon completion of the post Go-Live period, all remaining tickets, upon mutual agreement by Intelex and PCCA, will be transferred to the

Intelex Application Support Department ("ASD") and be addressed with assistance from the Intelex ASD team.

Intelex will provide up to 4 hours of Post Go-Live consulting services.

2.6.7 Transition

During this phase PCCA is provided transitional support after the Solution is launched (or accepted). The purpose of this final phase is to review the project and identify learnings that can be realized and applied to Phase 2 and 3.

ASD Transition: PCCA transfer to ASD for ongoing Production support and introduction to issue reporting process.

Phase One and Project Close-Out: Intelex will facilitate with the PCCA to review the project and Solution adoption by PCCA's users and outstanding implementation items, if any.

2.6.8 Project Management

Intelex Project Lead will plan and coordinate Intelex activities and resources, provides weekly status reporting on Intelex deliverables, coordinates issue management and resolution, and manages project changes. The activities include:

- Planning & Change Management – Maintaining the project plan on a weekly basis, and managing the Change Order process
- Execution - Managing Intelex resources, and acceptance of deliverables
- Reporting & Monitoring - Performing scope verification, and weekly reporting on project status
- Weekly Status Calls - One (1) hour weekly status call with the Client project team.
- Post-Implementation Review - Review of the project goals & adoption by Client's users and outstanding implementation items, if any

2.6.9 Intelex Key Project Roles

Role	Responsibilities
Project Manager	Manage Intelex resources with respect to scope, schedule, and budget; Prepare and maintain project plan; Communicate directly with the Client PM; Chair weekly status call and develop detailed meeting minutes; Evaluate priorities and manage the change control process; and, Project closure.
Solution Architect	Gather detailed requirements from the Client; Design and discuss requirements;

	Prepare and update specification; Conduct scope verification; and, Provide best practice guidance.
Consultant	Conduct any configuration Design and make changes to Configured Applications; and, Assist in user Acceptance Testing.
Technical Consultant	Install system and set up any integration points. Provide information and assistance regarding hosting and other technical application issues.

It is understood that one Intelix person may fulfill one-or-more project roles.

2.6.10 Deliverable Materials

Intelix will provide the following deliverables for this project, as specified in the activities in Section 2.7, to support managing project scope and schedule.

- Deliverable 1 – Initial Project Plan/Revised Project Plan
- Deliverable 2 – Design Workshop Agenda
- Deliverable 3 – Specifications Documentation
- Deliverable 4 – Configured Solution for User Acceptance Testing
- Deliverable 5 – Weekly Project Status Report

2.7 Client Responsibilities

The responsibilities listed in this section are to be provided at no charge to Intelix. Intelix’s performance is predicated upon the following responsibilities being fulfilled by the Client and its third-party partners.

2.7.1 PCCA Project Manager

The PCCA will identify and assign a project manager prior to the project kick-off meeting occurring during the Project Initiation phase. PCCA Project Manager plans and coordinates PCCA’s activities and resources, coordinates issue management and resolution, and manages project changes.

2.7.2 PCCA Implementation Responsibilities

1. Provide, at a minimum, the following participants for the duration of the Project:
 - a. Business Sponsor(s),
 - b. Business Subject Matter Experts (SMEs),
 - c. IT staff

2. Ensure they and any third-party partners:
 - a. Actively participate in the Design Workshop, including providing the necessary skilled resources to work with InteleX personnel on technical specifications and designs
 - b. Provide InteleX with relevant available reference documentation such as current forms, explanation of workflows (and where they already exist workflow diagrams), reports, dashboards, and procedures
 - c. Provide timely responses to requirements clarification and resolution of issues
 - d. Provide appropriate facilities for the delivery of the project including an appropriate sized room, whiteboard, projector and internet access
 - e. Manage all PCCA employees' and contractors' activities
3. Provide timely review and feedback on the deliverables and documents developed by InteleX on a schedule mutually agreeable to PCCA and InteleX.
4. Ensure that all data imported to the System has unique identifiers.
5. Develop any required reports using the Configurable Reports tool.
6. Provide access to SMEs of other systems that Solution will be required to integrate with.
7. Prepare a test plan and provide resources needed to adequately test the system during User Acceptance Testing.
8. Provide any necessary training on the Solution to PCCA end-users.
9. Provide twenty-four (24) hours' notice if unable to meet any scheduled training sessions. Cancellation thereafter will result in the time being billed to the Client at the rate that was determined for the training session, plus any travel expenses already incurred.

2.7.3 PCCA Project Roles

<i>Role</i>	<i>Responsibilities</i>
Project Manager	Manage Client resources and staff internally; Approve and sign-off of on key deliverables; Notify InteleX Project Manager in writing of any changes to the project priorities and follow the change control process to be defined as part of project management activities; and, Provide reasonable and timely assistance as required for InteleX to complete its activities.
Subject Matter Expert	Develop the business and functional requirements in workshop sessions with the InteleX team on an as-needed basis; Provide feedback on, approve and sign-off on the specification documentation;

	Conduct User Acceptance Testing; and, Provide reasonable and timely assistance, on mutually agreeable schedule, as required for InteleX to complete its activities.
System Administrator	Receive training on application and platform configuration so that he or she will be able to perform these functions after end of project; and, Provide reasonable and timely assistance, on a mutually agreeable schedule, as required for InteleX to complete its activities.
Power User	Receive training on application use and reports configuration so that they will be able to perform these functions after the end of project.
IT	Work with InteleX IT as required to setup and install the Solution.

It is understood that one PCCA person may fulfill one-or-more project roles.

The responsibilities listed in this section are those key activities to be full filled by the PCCA as part of the project as it relates to the InteleX Solution.

2.8 Governance

2.8.1 Weekly Project Management

Weekly project management meetings will be held with mandatory participation by the PCCA and InteleX Project Managers.

2.9 Completion Criteria

InteleX will have fulfilled its obligations under this SOW when any one of the following first occurs:

1. InteleX accomplishes the activities described in InteleX Activities section, including delivery to PCCA of the Deliverables described in that section and a Solution that meets the requirements of PCCA's Request for Proposal dated January 2016 as documented in the Specifications Documentation from the Design Workshop, or
2. PCCA or InteleX terminates the project in accordance with the provisions of the Terms and Conditions.

2.10 Estimated Schedule

No schedule has been defined at the time of execution of this agreement. An initial project schedule will be jointly developed by PCCA and InteleX after project initiation. The actual project start date will be determined based on the availability of the required InteleX and PCCA resources. A high level Gantt chart is attached hereto as Appendix 2 and incorporated by reference herein.

2.11 Estimated Charges**2.11.1 Professional Services**

The Professional Services fees are time and materials. The Standard Hourly Rates listed below shall apply during the entire project term. The Estimated Hours listed below are an estimate of the time required to implement the project as detailed in this SOW and as noted below will not be exceeded without the execution of a Change Order.

Estimated Charges

<i>Project Phase</i>	Estimated Hours	Estimate Charges
Project Initiation	10	\$2,200
Solution Design	50	\$9,000
Configuration	70	\$11,700
Testing	25	\$4,100
Deployment	55	\$9,900
Transition	12	\$2,020
Total Estimated Services Costs	222	\$38,920

Estimated Charges by Resource

<i>Resource</i>	Hourly Rate	Estimated Hours	Estimated Charges
Project Manager/Architect	\$200	62	\$12,400
Consultant	\$160	104	\$16,640
Technical Consultant	\$200	8	\$1,600
QA Analyst	\$160	8	\$1,280
Trainer	\$175	40	\$7,000
Total Estimated Services Costs		222	\$38,920

Intelex will provide the Professional Services and Deliverables set forth herein on a time and materials basis using the fees outlined above. The Professional Services fees are estimated at \$38,920 USD excluding applicable taxes, and will be invoiced monthly, in arrears, based on actual time expended.

PCCA agrees Intelex may alter the number of hours allotted to each of the activity types or resources specified above without issuing a Change Order as long as the estimated total charges specified

above are not exceeded. Intelex must notify the PCCA Project Manager of any such changes to allotted hours or resources.

All requested changes to the scope of this SOW and/or the estimated budget above will require execution of a Change Order as described in Section 3.1 Change Orders.

2.11.2 Travel and Expenses

Reasonable travel and incidental expenses in addition to the Professional Services fees identified above will be invoiced as they occur at actual cost. Travel will be pre-approved by PCCA. It is estimated that Intelex will make:

Travel and incidental expenses are estimated at a total cost of no more than \$5,000 USD.

1. One (1) trip to the PCCA Power Street Texas location by 2 staff for the Design Workshop

3. Project Procedures

3.1 Change Orders

The following provides a detailed process to follow if a change to this SOW is required.

A Change Order (CO) will be the vehicle for communicating change. The CO must describe the change and the effect the change will have on the project, including cost and schedule. Proposed changes will be submitted by the Project Manager of the requesting party to the Project Manager of the other party.

Both Project Managers will review the proposed change. Intellex will specify if there will be any charges for the investigation of the proposed changes. If the Project Managers agree to move forward with the proposed change, the PCCA and Intellex will sign the CO. A written CO must be signed by both parties to authorize implementation of the changes. Further, a written CO must be approved by the Port Commission prior to PCCA execution and Port Commission Meetings are held monthly on the third Tuesday of the month and materials for inclusion on the agenda must meet the established PCCA internal deadlines.

3.2 Deliverable Acceptance Procedure

3.2.1 Documents

Each deliverable document will be approved in accordance with the following procedure:

- One (1) electronic draft of the deliverable document will be submitted to the PCCA Project Manager. It is the PCCA Project Manager's responsibility to make and distribute additional copies to other reviewers.
- Project Managers will mutually agree on timelines for providing requested changes to deliverables. If changes to the deliverable are required, a written description of requested changes must be submitted to the Intellex Project manager
- Client will provide timely review and reasonable agreement of all deliverable documents on a mutually agreeable schedule. If deliverables do not conform to PCCA's reasonable expectations, Intellex will make adjustments to correct the non-conformances. Client's review will be limited to those adjustments. Continued reviews will be limited to the previous version's non-conformance.

3.3 Escalation Procedure

Escalation to the Project Sponsor may occur by the respective Project Managers for issue and/or change control.

4. Contact Information

Port of Corpus Christi Authority

Sarah L. Garza
Director of Environmental Planning and Compliance
222 Power Street
Corpus Christi, TX 78401
361 885-6163 Direct
361 813-0068 Mobile
361 881-5161 Fax
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Kathleen White
Senior Client Partner
416.640.2755
kathleen.white@intelex.com

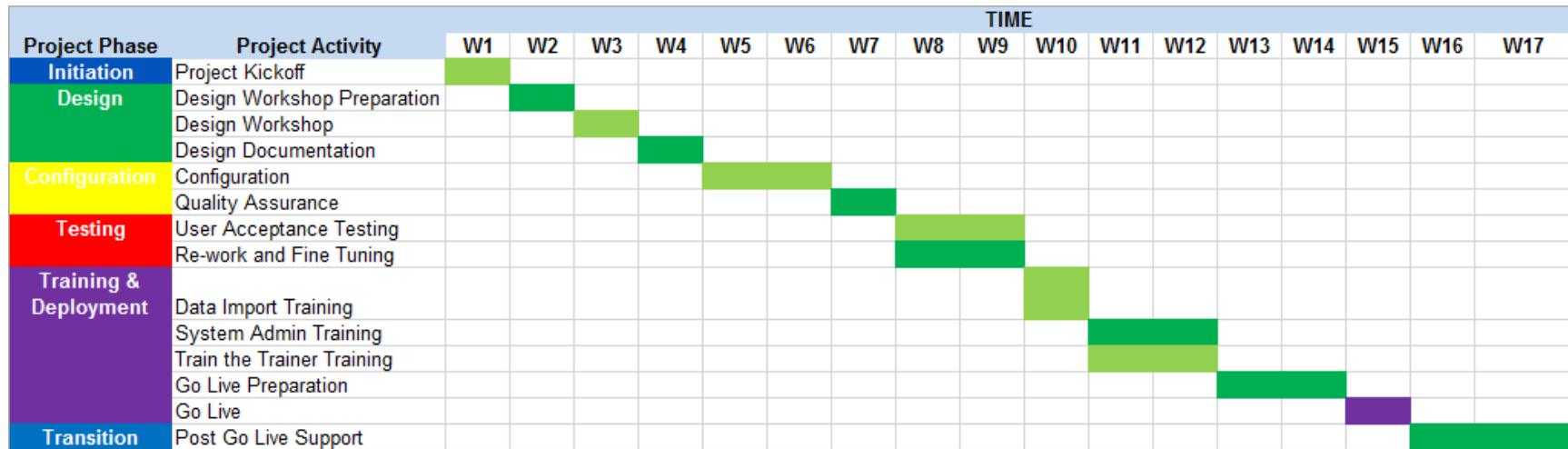
Mike Baggley
Senior Solution Architect
416.644.3079
mike.baggley@intelex.com

Appendix 1: Configurations

Table 1: Standard Applications

Application	Field Modifications	Workflow Modifications
Audits Management	Up to 25 Field Modifications	Standard Workflow, No Changes
Compliance Tracking	Up to 25 Field Modifications	Standard Workflow, No Changes
Environmental Aspects & Impacts	Up to 25 Field Modifications	Up to 2 New Linear Workflows
Permits Management	Up to 25 Field Modifications	Standard Workflow, No Changes

Appendix 2: Gantt Chart



Note: An initial project schedule will be jointly developed by PCCA and Intellex after project initiation. The actual project start date will be determined based on the availability of the required Intellex and PCCA resources. Typically, Intellex requires two to three (2-3) weeks from the date of the contract signing until the necessary resources are poised to start.

Appendix 3: Responsibility Assignment Matrix (RACI)

The RACI matrices below use the following definitions:

Letter	Description	Role
R	Responsible	The responsible for the work to complete the task.
A	Accountable	The approver of the task.
C	Consulted	Provide the input into the task.
I	Informed	The reviewer of the task's progress.

Intelex RACI

Major Tasks	Project Manager	Solution Architect	Project Consultant	Training Consultant	Information Technology	Application Support	Sponsor
Both parties hold Project Readiness Kick-off session.	R	C			C		I
Both parties hold a Design Workshop.	C	R	C				
Intelex delivers detailed Specification Documentation to the Client.	C	R					
PCCA provides sign-off of Specification Documentation.	A	A					
Intelex delivers the configured Application	A	R	R		C		I
Data Migration and Integrations			C		C		
PCCA completes User Acceptance Testing (UAT); cut-off for reporting defects to Intelex.	A	C	C				
Intelex delivers configuration changes or fixes for production implementation.	A	R	R		C		I
System and Application Training				R			
Go-live.	A						I

PCCA RACI

Major Tasks	Project Lead	Subject Matter Expert	System Administrator	Power User	Information Technology	End User	Sponsor
Both parties hold Project Readiness Kick-off session.	C	C	C		C		I
Both parties hold a Design Workshop.	C	C					
Intelex delivers detailed Specification Documentation to the Client.	A	A			C		
PCCA provides sign-off of Specification Documentation.	A	R	C	C	C		C
Intelex delivers the configured Application.	A	A	I		C		I
Data Migration and Integrations			R		C		
PCCA completes User Acceptance Testing (UAT); cut-off for reporting defects to Intelex.	A	R	C	C	C		
Intelex delivers configuration changes or fixes for production implementation.	A	A	C	C	C		I
Go-live	A	C	C	C	C	C	I



EXHIBIT C
STATEMENT OF WORK – PHASE 2 AND 3

1. Introduction

1.1 Document Use

The purpose of this document is to serve as scope definition for the project for Phase 2 and 3. During the project, design documents will be jointly developed to define scope and deliverables at a level of granularity required for a detailed project plan.

2. Proposal

2.1 Project Context

The project scope for Phase 2 & 3 is based on preliminary discussions with the Port of Corpus Christi Authority and following the successful completion and deployment of Phase 1 scope, will be implemented. These phases will entail design, configuration, testing and deployment of additional applications to support the business requirements for Air, Water, Key Performance Indicators/Metrics and Waste and facilitate training and incident reporting.

The project will follow the Intalex Compass Implementation Methodology and will occur in two phases with two separate design workshops and iterative configurations after Phase 1 of the project is completed.

2.2 Project Scope for Phases 2 & 3

Phase 2:

The following Applications constitute the Scope for the second phase of this Project.

2.2.1 Standard Applications

- Waste Management
- Water Quality Management
- Sustainability Performance Indicators
- SDS Library

Phase 3:

The following Applications constitute the Scope for the third phase of this Project.

2.2.2 Standard Applications

- Training Management
- Incident Management

2.3 Key and Project Related Assumptions for Phases 2 & 3

This Proposal and Project Fees are based on the requirements provided by PCCA and on the following key assumptions; the activities listed in sections 1.5 InteleX Activities and 1.6 PCCA Responsibilities.

1. The existing InteleX-hosted PCCA non-Production and Production environments will be used for this project.
2. "Business Day" means any day other than Saturday, Sunday or a statutory holiday in Ontario, Canada or the United States of America, for the duration of InteleX business hours. InteleX business hours are between the hours of 08:30 and 17:00 EST (13:30 and 22:00 GMT). Support and Consulting services can be provided outside of these hours at PCCA's request and as mutually agreed to by both Project Managers.
3. Any additional configuration, data migration, interfaces to third party systems, report building, or any other item not listed as in scope will require a change order.

2.4 InteleX Activities for Phases 2 & 3

Under this Proposal InteleX will undertake the following activities:

Phase Two:

2.4.1 Project Initiation

During project initiation InteleX will prepare the project team for the project including knowledge transfer, reviewing project objectives, activities and key milestones, PCCA team sponsors and contacts, and project specific logistics. InteleX will arrange and lead a project kickoff with the PCCA team with the purpose of bringing together the key resources and stakeholders who will be engaged in the project. An overview of the Solution to be delivered, the project organizational structure, the communication plan and the preliminary schedule and timeline will be the subjects addressed during the Project Kickoff.

InteleX will prepare the hosted environment with the Licensed Technology.

Deliverables: Initial Project Plan for Phase 2

2.4.2 Solution Design Workshop

In preparation for the Design Workshop, InteleX will review all relevant reference documentation provided by the PCCA, including but not limited to functional requirements, current forms, workflow

descriptions or diagrams, reports, dashboards, and procedures. InteleX to provide introductory training to the PCCA on the pre-configured standard applications and the Solution, and on the InteleX project methodology to support discussions during the workshop. InteleX will prepare agenda for the workshop.

The detailed solution design will occur in an on-site Design Workshop during which InteleX will lead the process for gathering and analyzing requirements for the project. The business capabilities and requirements will be defined to reflect the desired user experience, business process workflow, as well as specific business rules and logic. Forms and sub forms will be reviewed, as well as role access and security for each form. Any third-party interfaces and data imports will be identified, as well as reporting requirements. Using information gathered during Phase I and during the workshop as input, the InteleX Project Manager will refine the project plan.

Following the workshop, InteleX will document the workflow, data interfaces/import and reports in a Specifications Document. Also identified will be form-level detail, user roles and security. The Specifications Document will detail the necessary configuration and guide the development and implementation of the Solution.

The Design Workshop will be conducted Onsite by one (1) InteleX resources for a period of 2 consecutive Business Days.

Deliverables: Design Workshop Agenda, Revised Project Plan, Specifications Documentation

2.4.3 Configuration

2.4.3.1 Standard Applications

InteleX will, based on the prioritized list of requirements from the Design Workshop and captured in the Specifications Documentation, complete the configurations to the Standard Applications using the existing capabilities of InteleX Application Builder. The applications will be configured within the scope as outlined for the project and follow the requirements as identified in Appendix 1, Phase 2, Table 1.

2.4.3.2 Reports and Dashboards

InteleX will provide phone and e-mail consultation to PCCA during the Business Day on developing reports using Configurable Reports.

InteleX will provide up to 8 hours of consulting services.

2.4.4 Testing

2.4.4.1 Client User Acceptance Testing (UAT)

InteleX shall perform a walkthrough of the configured application(s) and assist PCCA personnel with testing the Solution. PCCA is to prepare a test plan based upon the Product documentation and Specifications Documentation. InteleX will provide phone and e-mail consultation during the Business Day in response to questions during UAT.

Intelex is will provide up to 24 hours of consulting services over a mutually agreeable time period.

2.4.4.1 Re-Work and Fine Tuning

Intelex will estimate, provide consultation, and configuration of application changes identified during User Acceptance Testing. Identified items will be prioritized by PCCA and Intelex.

Intelex is estimated to provide 4 hours of consulting services for configuration and consultation. If system defects or configuration errors caused by Intelex are found during UAT, time spent for resolving such issues will not count against these hours.

2.4.5 Phase Two Training

Intelex will provide training as per the following table:

Training	Training Description	Location
System Administration Training	Intelex will provide one (1) session of training on each of the configured applications: Waste Management, Water Quality Management, Sustainability Performance Indicators and SDS Library Intelex will provide 4 x 90 minute training sessions.	Instructor Led Online
Train-the-Trainer Training	Intelex will provide one (1) session of training on each of the configured applications: Waste Management, Water Quality Management, Sustainability Performance Indicators and SDS Library Intelex will provide 4 x 90 minute training sessions.	Instructor Led Online
Data Import Tool	Intelex will provide training and best practices consulting services on the Data Import Tool. Intelex will provide one (1) sample import template and setup. Intelex is estimated to provide 16 hours of training and consulting services.	Instructor Led Online

2.4.6 Deployment

2.4.6.1 Production System Installation

Upon completion of UAT, Intelex to update the PCCA's environment in Intelex's hosting environment with the final Solution.

2.4.6.2 Go Live Support

Intelex will respond to questions that may arise during Go-Live as PCCA prepares to put the Solution into Production use.

Intelex is estimated to provide up to 4 hours of Go-Live Support within a mutually agreeable time period immediately following Production System Installation.

2.4.6.3 Post Go Live Support

During the Post Go-Live period (mutually agreeable time period days after Go-Live), Intelex project team will work with Port of Corpus Christi to prioritize and address potential issues. Upon completion of the post-Go-Live period, all remaining tickets, upon mutual agreement by Intelex and PCCA, will be transferred to the Intelex Application Support Department ("ASD") and be addressed with assistance from the Intelex ASD team

Intelex is estimated to provide up to 4 hours of Post Go-Live consulting services.

2.4.7 Transition

During this phase PCCA is provided transitional support after the Solution is launched (or accepted). The purpose of this final phase is to review the project and identify learnings that can be realized and applied to Phase 3.

ASD Transition: PCCA transfer to ASD for ongoing Production support and introduction to issue reporting process.

Phase Two Close Out and Transition to next Phase of Project: Intelex will facilitate with the PCCA to review the project and Solution adoption by PCCA's users and outstanding implementation items, if any.

Phase Three:

2.4.8 Project Initiation

During project initiation Intelex will prepare the project team for the project including knowledge transfer, reviewing project objectives, activities and key milestones, PCCA team sponsors and contacts, and project specific logistics. Intelex will arrange and lead a project kickoff with the PCCA team with the purpose of bringing together the key resources and stakeholders who will be engaged in the project. An overview of the Solution to be delivered, the project organizational structure, the communication plan and the preliminary schedule and timeline will be the subjects addressed during the Project Kickoff.

Intelex will prepare the hosted environment with the Licensed Technology.

Deliverables: Initial Project Plan for Phase 3

2.4.9 Solution Design Workshop

In preparation for the Design Workshop, Intelex will review all relevant reference documentation provided by the PCCA, including but not limited to functional requirements, current forms, workflow descriptions or diagrams, reports, dashboards, and procedures. Intelex will provide introductory training to the PCCA on the pre-configured standard applications and the Solution, and on the Intelex project methodology to support discussions during the workshop. Intelex will prepare agenda for the workshop.

The detailed solution design will occur in an on-site Design Workshop during which Intelex will lead the process for gathering and analyzing requirements for the project. The business capabilities and requirements will be defined to reflect the desired user experience, business process workflow, as well as specific business rules and logic. Forms and sub forms will be reviewed, as well as role access and security for each form. Any third-party interfaces and data imports will be identified, as well as reporting requirements. Using information gathered during Phase 1 and Phase 2 and during the workshop as input, the Intelex Project Manager will refine the project plan.

Following the workshop, Intelex will document the workflow, data interfaces/import and reports in a Specifications Document. Also identified will be form-level detail, user roles and security. The Specifications Document will detail the necessary configuration and guide the development and implementation of the Solution.

The Design Workshop will be conducted Onsite by one (1) Intelex resources for a period of 1 Business Day.

Deliverables: Design Workshop Agenda, Revised Project Plan, Specifications Documentation

2.4.10 Configuration

2.4.10.1 Standard Applications

Intelex will, based on the prioritized list of requirements from the Design Workshop and captured in the Specifications Documentation, complete the configurations to the Standard Applications using the existing capabilities of Intelex Application Builder. The applications will be configured within the scope as outlined for the project and follow the requirements as identified in Appendix 1, Phase 3, Table 1.

2.4.10.2 Reports and Dashboards

Intelex will provide phone and e-mail consultation to PCCA during the Business Day on developing reports using Configurable Reports.

Intelex will provide up to 8 hours of consulting services.

2.4.11 Testing**2.4.11.1 PCCA User Acceptance Testing (UAT)**

Intelex shall perform a walkthrough of the configured application(s) and assist PCCA personnel with testing the Solution. PCCA is to prepare a test plan based upon the Product documentation and Specifications Documentation. Intelex will provide phone and e-mail consultation during the Business Day in response to questions during UAT.

Intelex is will provide up to 16 hours of consulting services over a mutually agreeable time period.

2.4.11.2 Re-Work and Fine Tuning

Intelex will estimate, provide consultation and configuration of application changes identified during User Acceptance Testing. Identified items will be prioritized by PCCA and Intelex.

Intelex is will provide up to 4 hours of consulting services.

2.4.12 Phase Three Training

Intelex will provide training as per the following table:

Training	Training Description	Location
System Administration Training	Intelex will provide training sessions on each of the configured applications: Training Management and Incident Management (2 sessions) Intelex will provide 3 x 90 minute training sessions.	Instructor Led Online
Train-the-Trainer Training	Intelex will provide training sessions on each of the configured applications: Training Management and Incident Management (2 sessions) Intelex will provide 3 x 90 minute training sessions.	Instructor Led Online
Data Import Tool	Intelex will provide training and best practices consulting services on the Data Import Tool. Intelex will provide one (1) sample import template and setup. Intelex is estimated to provide 8 hours of training and consulting services.	Instruction Led Online

2.4.13 Deployment**2.4.13.1 Production System Installation**

Upon completion of UAT, Intelex will update the PCCA's environment in Intelex's hosting environment with the final Solution.

2.4.13.2 Go Live Support

Intelex will respond to questions that may arise during Go-Live as PCCA prepares to put the Solution into Production use.

Intelex will provide up to 4 hours of Go-Live Support over a mutually agreeable time period immediately following Production System Installation.

2.4.13.3 Post Go Live Support

During the Post Go-Live period (mutually agreeable time period after Go-Live), Intelex project team will work with PCCA to prioritize and address potential issues. Upon completion of the post-Go-Live period, all remaining tickets, upon mutual agreement by Intelex and PCCA, will be transferred to the Intelex Application Support Department ("ASD") and be addressed with assistance from the Intelex ASD team

Intelex will provide up to 4 hours of Post Go-Live consulting services.

2.4.14 Transition

During this phase PCCA is provided transitional support after the Solution is launched (or accepted).

ASD Transition: PCCA transfer to ASD for ongoing Production support and introduction to issue reporting process.

Project Close-Out: Intelex will facilitate with the PCCA to review the project and Solution adoption by PCCA's users and outstanding implementation items, if any.

2.4.15 Project Management

Intelex Project Lead will plan and coordinate Intelex activities and resources, provides weekly status reporting on Intelex deliverables, coordinates issue management and resolution, and manages project changes. The activities include:

- Planning & Change Management – Maintaining the project plan on a weekly basis, and managing the Change Order process
- Execution - Managing Intelex resources, and acceptance of deliverables
- Reporting & Monitoring - Performing scope verification, and weekly reporting on project status
- Weekly Status Calls - One (1) hour weekly status call with the Client project team.
- Post-Implementation Review - Review of the project goals & adoption by Client's users and outstanding implementation items, if any

2.4.16 Intelex Key Project Roles

<i>Role</i>	<i>Responsibilities</i>
Project Manager	Manage Intelex resources with respect to scope, schedule, and budget; Prepare and maintain project plan; Communicate directly with the Client PM; Chair weekly status call and develop detailed meeting minutes; Evaluate priorities and manage the change control process; and, Project closure.
Solution Architect	Gather detailed requirements from the Client; Design and discuss requirements; Prepare and update specification; Conduct scope verification; and, Provide best practice guidance.
Consultant	Conduct any configuration; Design and make changes to Configured Applications; and, Assist in user Acceptance Testing.
Technical Consultant	Install system and set up any integration points. Provide information and assistance regarding hosting and other technical application issues.

It is understood that one Intelex person may fulfill one-or-more project roles.

2.4.17 Deliverable Materials

Intelex will provide the following deliverables for this project, as specified in the activities in Section 2.7, to support managing project scope and schedule.

- Deliverable 1 – Initial Project Plan/Revised Project Plan
- Deliverable 2 – Design Workshop Agenda
- Deliverable 3 – Specifications Documentation
- Deliverable 4 – Configured Solution for User Acceptance Testing
- Deliverable 5 – Weekly Project Status Report

2.5 Client Responsibilities

The responsibilities listed in this section are to be provided at no charge to Intelex. Intelex's performance is predicated upon the following responsibilities being fulfilled by the Client and its third-party partners.

2.5.1 PCCA Project Manager

The PCCA will identify and assign a project manager prior to the project kick-off meeting occurring during the Project Initiation phase. PCCA Project Manager plans and coordinates PCCA's activities and resources, coordinates issue management and resolution, and manages project changes.

2.5.2 PCCA Implementation Responsibilities

1. Provide, at a minimum, the following participants for the duration of the Project:
 - a. Business Sponsor(s),
 - b. Business Subject Matter Experts (SMEs),
 - c. IT staff
2. Ensure they and any third-party partners:
 - a. Actively participate in the Design Workshop, including providing the necessary skilled resources to work with Intellex personnel on technical specifications and designs
 - b. Provide Intellex with relevant available reference documentation such as current forms, explanation of workflows (and where they already exist workflow diagrams), reports, dashboards, and procedures
 - c. Provide timely responses to requirements clarification and resolution of issues
 - d. Provide appropriate facilities for the delivery of the project including an appropriate sized room, whiteboard, projector and internet access
 - e. Manage all PCCA employees' and contractors' activities
3. Provide timely review and feedback on the deliverables and documents developed by Intellex on a schedule mutually agreeable to PCCA and Intellex.
4. Ensure that all data imported to the System has unique identifiers.
5. Develop any required reports using the Configurable Reports tool.
6. Provide access to SMEs of other systems that Solution will be required to integrate with.
7. Prepare a test plan and provide resources needed to adequately test the system during User Acceptance Testing.
8. Provide any necessary training on the Solution to PCCA end-users.
9. Provide twenty-four (24) hours' notice if unable to meet any scheduled training sessions.

2.5.3 PCCA Project Roles

<i>Role</i>	<i>Responsibilities</i>
Project Manager	Manage Client resources and staff internally; Approve and sign-off of on key deliverables; Notify InteleX Project Manager in writing of any changes to the project priorities and follow the change control process to be defined as part of project management activities; and, Provide reasonable and timely assistance as required for InteleX to complete its activities.
Subject Matter Expert	Develop the business and functional requirements in workshop sessions with the InteleX team on an as-needed basis; Provide feedback on, approve and sign-off on the specification documentation; Conduct User Acceptance Testing; and, Provide reasonable and timely assistance, on mutually agreeable schedule, as required for InteleX to complete its activities.
System Administrator	Receive training on application and platform configuration so that he or she will be able to perform these functions after end of project; and, Provide reasonable and timely assistance, on a mutually agreeable schedule, as required for InteleX to complete its activities.
Power User	Receive training on application use and reports configuration so that they will be able to perform these functions after the end of project.
IT	Work with InteleX IT as required to setup and install the Solution.

It is understood that one PCCA person may fulfill one-or-more project roles.

The responsibilities listed in this section are those key activities to be full filled by the PCCA as part of the project as it relates to the InteleX Solution.

2.6 Governance**2.6.1 Weekly Project Management**

Weekly project management meetings will be held with mandatory participation by the PCCA and InteleX Project Managers.

2.7 Completion Criteria

InteleX will have fulfilled its obligations under this SOW when any one of the following first occurs:

1. InteleX accomplishes the activities described in InteleX Activities section, including delivery to PCCA of the Deliverables described in that section and a Solution that meets the requirements of PCCA's Request for Proposal dated January 2016 as documented in the Specifications Documentation from the Design Workshop, or
2. PCCA or InteleX terminates the project in accordance with the provisions of the Terms and Conditions.

2.8 Estimated Schedule

No schedule has been defined at the time of execution of this agreement. An initial project schedule will be jointly developed by PCCA and InteleX after the Phase 1 scope is complete. The actual project start date will be determined based on the availability of the required InteleX and PCCA resources. InteleX commits to initiate the project within 3 weeks of completion of the previous Phase contingent on PCCA availability.

2.9 Project Fees for Phase 2 & 3

2.9.1 Professional Services

The Professional Services fees are time and materials. A Design Workshop Agenda must be jointly developed and executed before beginning each subsequent phase of the project. The Standard Hourly Rates are as stated in Exhibit B of this Agreement. The Estimated Hours listed below are an estimate of the time required to implement the project as detailed in this SOW and as noted below will not be exceeded without the execution of a Change Order.

Implementation Services Breakdown

Phase	Description	Phase 2 Estimate	Phase 3 Estimate
Initiate	Mobilize the project team, including a joint Project Kick-off meeting with the client team	\$2,000	\$2,000
Design	Ensure that the scope and associated requirements are clearly identified in a Specifications document	\$12,800	\$6,400
Configure	Applications are configured to meet the client's specific requirements	\$26,600	\$9,100

Test	Fully test and review the configured application to ensure it complies with the Specifications document	\$6,900	\$4,100
Deployment & Transition	Project teams will work together to prepare, train, and rollout the configured solution.	\$9,990	\$7,980
Estimated Services by Phase		\$58,290	\$29,580
Total Implementation Services		\$87,870	

Services Breakdown by Resource

Resource Type	Phase 2 Days	Phase 2 Estimate	Phase 3 Days	Phase 3 Estimate
Project Manager	10.25	\$16,400	6	\$9,600
Consultant	25	\$32,000	11.5	\$14,720
IT Analyst	0.50	\$800	0.50	\$ 800
QA Analyst	3	\$3,840	0.75	\$ 960
Trainer	3.75	\$5,250	2.5	\$3,500
Estimated Services by Resource	42.50		25.75	
Estimated Services by Phase		\$58,290		\$29,580
Total Implementation Services	\$87,870			

* Estimates are in USD

The Professional Services fees are estimated excluding applicable taxes and will be invoiced monthly based on actual time expended. Service rates do not include travel expenses. PCCA agrees Intellex may alter the number of hours allotted to each of the activity types or resources specified above without issuing a Change Order as long as the estimated total charges specified above are not

exceeded. InteleX must notify the PCCA Project Manager of any such changes to allotted hours or resources.

All requested changes to the scope of this SOW and/or the estimated budget above will require execution of a Change Order as described in Section 3.1 Change Orders.

2.9.2 Travel and Expenses

Reasonable travel and incidental expenses in addition to the Professional Services fees identified above will be invoiced as they occur and will be pre-approved by Port of Corpus Christi. It is estimated that InteleX will make:

Travel and incidental expenses are estimated at a total cost of no more than \$10,000 USD.

1. Two (2) trips to the Client location by 1 staff for the Design Workshop

3. Project Procedures

3.1 Change Orders

The following provides a detailed process to follow if a change to this SOW is required.

A Change Order (CO) will be the vehicle for communicating change. The CO must describe the change and the effect the change will have on the project, including cost and schedule. Proposed changes will be submitted by the Project Manager of the requesting party to the Project Manager of the other party.

Both Project Managers will review the proposed change. InteleX will specify if there will be any charges for the investigation of the proposed changes. If the Project Managers agree to move forward with the proposed change, the PCCA and InteleX will sign the CO. A written CO must be signed by both parties to authorize implementation of the changes. Further, a written CO must be approved by the Port Commission prior to PCCA execution and Port Commission Meetings are held monthly on the third Tuesday of the month and materials for inclusion on the agenda must meet the established PCCA internal deadlines.

3.2 Deliverable Acceptance Procedure

3.2.1 Documents

Each deliverable document will be approved in accordance with the following procedure:

- One (1) electronic draft of the deliverable document will be submitted to the PCCA Project Manager. It is the PCCA Project Manager's responsibility to make and distribute additional copies to other reviewers.
- Project Managers will mutually agree on timelines for providing requested changes to deliverables. If changes to the deliverable are required, a written description of requested changes must be submitted to the Intellex Project manager
- Client will provide timely review and reasonable agreement of all deliverable documents on a mutually agreeable schedule. If deliverables do not conform to PCCA's reasonable expectations, Intellex will make adjustments to correct the non-conformances.

3.3 Escalation Procedure

Escalation to the Project Sponsor may occur by the respective Project Managers for issue and/or change control.

Appendix 1: Configurations

Phase One - Table 1: Standard Applications

Application	Field Modifications	Workflow Modifications
Waste Management	Up to 50 Field Modifications	Up to 1 New Linear Workflow
Water Quality Management	Up to 50 Field Modifications	Up to 1 New Linear Workflow
Sustainability Performance Indicators Air Quality, Chemical Tracking, Energy, Water, Waste	200 Field Modifications Calendar Setup	1 New Linear Workflow per SPI
SDS Library w/ additional object to track paint usage	Up to 20 Field Modifications Additional Object Created to track paint usage	No Workflow

Phase Two - Table 1: Standard Applications

Application	Field Modifications	Workflow Modifications
Training Management	10 Field Modifications	Standard Workflow, No Changes
Incident Management	Up to 50 Field Modifications across all tables	2 New Linear Workflow for Environmental Incident type



EXHIBIT D INSURANCE

Without limiting the indemnity obligations or liabilities of Intelix or its insurers, provided herein, Intelix agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
B.	Employer's Liability	\$500,000 per Occurrence \$500,000 Aggregate
C.	Commercial General Liability	\$1,000,000 per Occurrence \$2,000,000 Aggregate

The CGL Policy will provide contractual liability coverage at the aforementioned limits.

D.	Business Automobile Liability	\$500,000 per Occurrence
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Automobile liability insurance coverage will include all owned, non-owned, and hired vehicles.

E.	Professional Liability	\$1,000,000
F.	Cyber Liability	\$100,000 per Occurrence

Intelix will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Agreement caused by any error, omission, or act for which the Intelix is legally liable. Policies written on a claims-made basis shall have an extended reporting period of at least two (2) years beyond termination of the Agreement.

Each policy, except Professional Liability, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Customer, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability, and Professional Liability. Cyber Liability policy



should include the following coverages; cyber extortion, digital asset coverage, privacy regulation/defense/awards, and network security liability.

Each policy, except Workers' Compensation and Professional Liability, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Agreement.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Intelex, and Intelex shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Agreement.

The minimum insurance required may be increased periodically upon request by Customer to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Intelex's liability shall not be limited to the specified amounts of insurance required herein.

DATE: July 19, 2016
TO: Port Commission
FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6134

AGENDA ITEM NO. 12.f

**Approve an Amendment to the Contract with Del Richardson & Associates Inc.
Adjusting Insurance Requirements for Professional Real Estate Appraisal
Services**

SUMMARY: Del Richardson & Associates, Inc. ("DRA"), requested a contract amendment to modify the insurance requirements for Professional Real Estate Appraisal Services to be more consistent with insurance provisions required by the Texas Department of Transportation ("TxDOT") for Professional Real Estate Appraisal Services. The current contract language requires any sub-consultant performing services for or on behalf of DRA to procure and maintain insurance at the same policy requirements as DRA. Some of those insurance requirements are significantly higher than the minimum insurance coverages required by TxDOT for professional real estate appraisal services. The insurance modification will encourage local appraiser participation in the Harbor Bridge related Hillcrest-Washington Coles Voluntary Relocation Program and adjust the appraiser insurance requirements to be more consistent with those required by TxDOT for Professional Real Estate Appraisal Services.

BACKGROUND: On June 10, 2016, DRA and TxDOT hosted a "Call for Appraisers" workshop to recruit local appraisers for appraisal services for the program and to facilitate TxDOT's certified appraiser approval process. The workshop was designed as an informational meeting to provide an overview of the program requirements and assist licensed appraisers in completing TxDOT's appraiser certification forms. Ten appraisers participated in the workshop and provided feedback indicating that the Port's minimum insurance policy requirements exceeded TxDOT's requirements for professional real estate appraisal services and that the additional insurance requirements would hinder local appraiser participation in the program. As of June 30, 2016, only one appraiser that attended the workshop has submitted the certification forms to TxDOT.

ALTERNATIVES: Maintain current insurance requirements and risk marginal local appraiser participation.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: No change to the financial terms of the agreement.

STAFF RECOMMENDATION: Staff recommends approval of the Contract Amendment to the Del Richardson & Associates, Inc. Agreement as an effort to increase local appraiser participation and potentially increase the pool of appraisers for DRA to utilize in processing appraisal request.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
	Samuel Esquivel
Legal	Jimmy Welder
	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson
	Donna James-Spruce
	Darrin Aldrich

LIST OF SUPPORTING DOCUMENTS:

Contract Amendment

**FIRST AMENDMENT TO THE AGREEMENT FOR REAL PROPERTY
ACQUISITION AND RELOCATION ASSISTANCE SERVICES IN CONNECTION
WITH THE HARBOR BRIDGE REPLACEMENT PROJECT**

This FIRST AMENDMENT TO THE AGREEMENT FOR REAL PROPERTY ACQUISITION AND RELOCATION ASSISTANCE SERVICES IN CONNECTION WITH THE HARBOR BRIDGE REPLACEMENT PROJECT (the “*Amendment*”) is made and entered into effective as of July 19, 2016 (“*Amendment Date*”), by and between DEL RICHARDSON & ASSOCIATES, INC. (“*Contractor*”) and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“*Port Authority*”), each a “*Party*” and, collectively, the “*Parties*.”

RECITALS

WHEREAS, the Port Authority and Contractor entered into THE AGREEMENT FOR REAL PROPERTY ACQUISITION AND RELOCATION ASSISTANCE SERVICES IN CONNECTION WITH THE HARBOR BRIDGE REPLACEMENT PROJECT (the “*Agreement*”) dated April 1, 2016; and

WHEREAS, the Parties wish to amend the Agreement to modify the insurance requirements for professional real estate appraisal services provided pursuant to the Agreement to be more consistent with the minimum insurance coverages required by the Texas Department of Transportation for professional real estate appraisal services; and

NOW, THEREFORE, for and in consideration of the Recitals and the covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Effective as of the Amendment Date, **Attachment Six-A** and **Attachment Six-B** attached to this Amendment shall be substituted for and replace **Attachment Six** to the Agreement.

2. Section 28.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

28.1 Contractor agrees to procure and maintain at its sole expense, for as long as Contractor is obligated to provide Services under this Agreement, the policies of insurance described in **Attachment Six-A** attached hereto and in at least the minimum amounts specified in **Attachment Six-A** to protect Contractor from claims which may arise out of or result from Contractor’s Services pursuant to this Agreement, except Professional Real Estate Appraisal Services, whether such Services be by Contractor, by any subcontractor of Contractor, by anyone directly or indirectly employed by Contractor or Contractor’s subcontractor, or by anyone for whose acts Contractor or Contractor’s subcontractor may be liable. Professional real estate appraisal services provided pursuant to this Agreement by real estate appraisers approved by the Texas Department of Transportation (“*Professional Real Estate Appraisal Services*”) are excluded from the insurance requirements

described in **Attachment Six-A**, but must be covered by the insurance requirements described in **Attachment Six-B**.

3. Section 28.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

28.2 Contractor will deliver to Port Authority certificates of insurance evidencing the insurance coverages required in **Attachment Six-A** and **Attachment Six-B**. Such certificates will be furnished prior to commencement of Contractor's Services subject to those requirements and at renewals thereafter while this Agreement is in effect. Any such certificates must be executed by an authorized representative of the company or companies issuing the insurance policies and contain a provision that coverage afforded under the policies will not be cancelled until at least 30 days prior written notice has been given to Port Authority. Contractor's subcontractors will be named as "additional insureds" on each liability policy of insurance purchased and maintained by Contractor under this Agreement.

4. Except as specifically amended hereby, all terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Agreement, the terms and conditions of this Amendment shall control.

[Signature Page Follows this Page]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by them or their duly authorized representatives effective as of the Amendment Date.

Port Authority:

**Port of Corpus Christi Authority
of Nueces County, Texas**

By:_____

Name: John P. LaRue
Title: Executive Director

Date Signed: _____

Contractor:

Del Richardson & Associates, Inc.

By:_____

Name: Del Richardson
Title:_____

Date Signed:_____

ATTACHMENT SIX - A

REQUIRED INSURANCE

Without limiting the indemnity obligations or liabilities of the Contractor or its insurers provided herein, Contractor agrees to carry and maintain at its sole expense the following types of policies of insurance for all Services provided pursuant to this Agreement except Professional Real Estate Appraisal Services with coverages in at least the following minimum amounts (the “*Policies*”):

Workers' Compensation	Statutory
Employer's Liability	\$500,000.00 per Occurrence \$500,000.00 Aggregate
Commercial General Liability	\$1,000,000 per Occurrence \$2,000,000 Aggregate
Business Automobile Liability	\$500,000 per Occurrence
Professional Liability (E&O)	\$2,000,000 per Occurrence

Workers’ Compensation and Employer’s Liability policies will provide a Waiver of Subrogation in favor of the Authority. Additionally, the Authority, its Port Commissioners, officers, officials and employees shall be designated as Additional Insureds either by a blanket additional insured or a specific endorsement on all liability policies, except the Professional Liability policy. Additionally, the Professional Liability policy shall be a claims-made policy which extends for a period of two years beyond the term of this Agreement. The insurance required as listed above, shall apply to any subcontractor performing Services for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such subcontractor is performing Services on the Port Authority’s property.

The minimum insurance required may be increased or decreased from time to time upon request by the Port Authority, to an amount, which is commercially reasonable at the time. **Prior to the commencement of any Services under this Agreement** except Professional Real Estate Appraisal Services, the Port Authority shall be furnished with Certificates of Insurance (and/or the endorsements) describing the Policies and the coverage limits therein. To the extent that during the Term of this Agreement there shall occur any material changes in any of the Policies required hereunder, Contractor shall notify the Port Authority of such changes and provide the Port Authority with new Certificates of Insurance of the new or revised Policies. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least “A-, VII”.

ATTACHMENT SIX - B

REQUIRED INSURANCE FOR PROFESSIONAL REAL ESTATE APPRAISAL SERVICES

Without limiting the indemnity obligations or liabilities of the Contractor or its insurers provided herein, Contractor agrees to carry and maintain at its sole expense the following types of policies of insurance for Professional Real Estate Appraisal Services with coverages in at least the following minimum amounts (the "***Policies***"):

Workers' Compensation	Statutory - Texas
Commercial General Liability Liability Insurance	
Bodily Injury	\$500,000 per occurrence
Property Damage	\$100,000 per occurrence
	\$100,000 for aggregate
OR	OR
Commercial General Liability	\$600,000 combined single limit
Business Automobile Liability	
Bodily Injury	\$250,000 per person
	\$500,000 each occurrence
Property Damage	\$100,000 each occurrence
OR	OR
Business Automobile Liability	\$600,000 combined single limit
Professional Liability (E&O)	\$1,000,000 per Occurrence

Workers' Compensation policies will provide a Waiver of Subrogation in favor of the Authority. Additionally, the Authority, its Port Commissioners, officers, officials and employees shall be designated as Additional Insured either by a blanket additional insured or a specific endorsement on all liability policies, except the Professional Liability policy. Additionally, the Professional Liability policy shall be a claims-made policy which extends for a period of two years beyond the term of this Agreement. The insurance required as listed above, shall apply to any subcontractor performing Services for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such subcontractor is performing Services on the Port Authority's property.

The minimum insurance required may be increased or decreased from time to time upon request by the Port Authority, to an amount, which is commercially reasonable at the time. **Prior to the commencement of any Professional Real Estate Appraisal Services under this Agreement,** the Port Authority shall be furnished with Certificates of Insurance (and/or the endorsements) describing the Policies and the coverage limits therein. To the extent that during the Term of this

AGENDA ITEM NO. 12f

Agreement there shall occur any material changes in any of the Policies required hereunder, Contractor shall notify the Port Authority of such changes and provide the Port Authority with new Certificates of Insurance of the new or revised Policies. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

DATE: July 19, 2016
TO: Port Commission
FROM: David L. Krams, P.E.
Krams@pocca.com
(361) 885-6134

AGENDA ITEM NO. 12.g

Approve a Construction Contract in the Amount of \$2,949,830.00 with Shoreline Foundation Inc., the Lowest and Best Bidder Based on Bids Received on July 8, 2016, for Construction of the La Quinta Aquatic Habitat Mitigation Phase II Project

SUMMARY: Staff recommends award of a construction contract to Shoreline Foundation, Inc. to perform the construction of protection and mitigation berms, the planting of wetland and seagrass vegetation, post plant monitoring, and replanting for the La Quinta Terminal Aquatic Mitigation – Phase II project.

BACKGROUND: Permitted impacts to aquatic resources associated with the construction of dock and waterfront facilities at the PCCA La Quinta Gateway Terminal property require mitigation. The required mitigation involves the construction of two types of aquatic habitat (emergent salt marsh and submerged seagrass habitat) within Beneficial Use Site 6 (BUS 6). BUS 6, consisting of 200 acres of shallow water habitat, was created by the United States Army Corps of Engineers as part of the Port's Channel Improvement Project with material dredged to construct the La Quinta Channel Extension.

The project's design and construction was divided in two phases. Phase I construction, which started in late June 2015 and was completed in early June 2016, included the construction of emergent wetland mitigation berms and planting of these berms with a common emergent salt marsh plant called smooth cordgrass. Phase II, the subject of this agenda item, includes the construction of two acres of emergent wetland mitigation berms and planting with smooth cordgrass, the construction of a protection berm necessary to shelter the emergent wetland habitat area from waves and currents, and the planting of twenty acres of submerged seagrass using a common seagrass called shoal grass. Phase II also includes a provision to plant up to an additional five acres each of smooth cordgrass and seagrass to optimize the potential for the project to meet the permitted mitigation goals and success criteria.

The contact documents were structured with a Base Bid for the protection and wetland mitigation berms and the planting of twenty acres of submerged shoal grass, Additive Bid Items 1 and 2 for a per acre equivalent planting (AEP) costs, should one and/or the other be required to plant additional smooth cordgrass and seagrass, respectively, within the

Phase I construction area or BU6 site, and a Total Evaluated Bid on a potential hypothetical mix of Base Bid and Additive Bid items and quantities used to determine the lowest and best bid by measuring the cost competitiveness of the bidders' rates. The Additive Bid Items can be awarded, up to five acres each, within 90 calendar days of the initial project award.

Two Additive Bid Items are included in the contract. Additive Bid Item 1, at \$36,950 per acre, is to plant emergent wetland vegetation in Phase I areas where the survival and distribution of the Phase I plantings indicate plantings are needed to address the permit acreage and cover requirements, and Additive Bid Item 2, at \$29,050 per acre, is to plant submerged seagrass in Cell F to optimize meeting permit seagrass acreage and cover requirements. The total quantity of each additive item will be determined during the actual execution of the contract.

On July 8, 2016, we received two responses to our Notice to Bidders (see attached Bid Tabulation). Shoreline Foundation, Inc. submitted the lowest and apparent best bid by submitting a Total Evaluated Bid of \$3,274,830.

ALTERNATIVES: N/A.

CONFORMITY TO PORT POLICY: This project is included as a Supporting Infrastructure Capital Project in the 2016 Budget. In addition, the project conforms to the PCCA's Strategic Plan, specifically Strategic Goal #2 to Provide Facilities and Services to Meet Customer Needs.

EMERGENCY: No.

FINANCIAL IMPACT: This \$3,185,000 Bond Project was included in the 2016 capital budget under Supporting Infrastructure Projects with \$2,935,000 estimated to be expended in 2016. Since voestalpine Texas Holding's dock facilities are being constructed along the Port's La Quinta waterfront for which this mitigation is required, voestalpine agreed to cost-share these expenses in a June 10, 2014 Cost-sharing Agreement. Therefore, per the terms of the Agreement, 28.7 percent of the cost will be reimbursed.

STAFF RECOMMENDATION: Staff recommends that a contract be awarded to Shoreline Foundation, Inc. in the amount of \$2,949,830 for the Base Bid and approval of an allowance of \$179,750 (up to 5 AEP @ \$35,950/AEP) for Additive Bid Item 1 and an allowance of \$145,250 (up to 5 AEP @ \$29,050/AEP) for Bid Item 2 should the additive bid items be needed during construction. Staff further recommends that the Director of Engineering Services be granted a 5% (\$147,491.50) contingency in accordance with the PCCA's standard contingency guidelines for marine and rehabilitation projects.

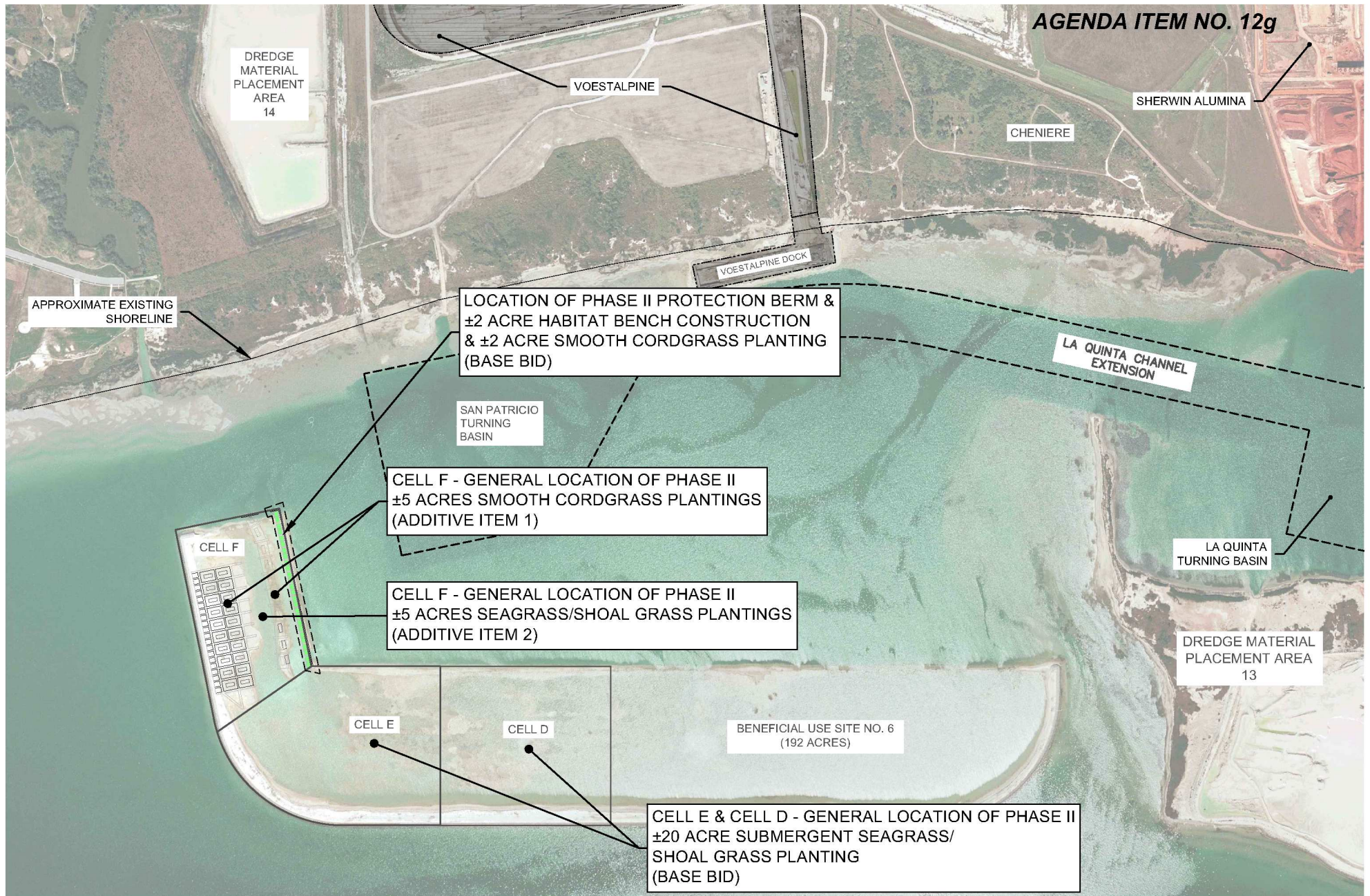
Shoreline Foundation is an experienced marine contractor from West Park, Florida. This will be Shoreline Foundation's first contract with the PCCA; however, staff has checked their submitted qualifications and references and has found the company to have a good reputation, with recent work including construction of a wharf and marine terminal for the Port of Brownsville.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dave Michaelson
	Dan Koesema
	Paul Carangelo
Legal	Will use PCCA's standard form of construction contract.
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
Bid Tabulation



h:\ben vasquez\drawings & exhibits\la quinta\la quinta mitigation\terminal emergent wetland mitigation phase ii.dwg



PORT **CORPUS CHRISTI**

PORT OF CORPUS CHRISTI AUTHORITY

**LA QUINTA TERMINAL EMERGENT WETLAND
AQUATIC HABITAT MITIGATION
PHASE II**

SCALE: 1:1000'
OWN. BY: BEN V

EXHIBIT "A"

DATE: 2016/06/30
TIME: 10:56:07



AGENDA ITEM NO. 12g

**BID TABULATION FOR
LA QUINTA TERMINAL AQUATIC HABITAT MITIGATION PHASE II
PROJECT NO. 12-031B
Bid Opening: July 8, 2016 at 2:00 pm**

Company Name	Bid Bond or Check	Base Bid ^A		Additive Bid Item 1 ^{B†}	Additive Bid Item 2 ^{C†}	Total Evaluated Bid ^D	Addendum No. 1	Addendum No. 2
		Amount	Protection Berm*					
Shoreline Foundation Inc.	5%	\$2,949,830.00	Earthen	\$35,950.00	\$29,050.00	\$3,274,830.00	x	x
Orion Marine	5%	\$5,792,957.91	None	\$51,326.26	\$43,440.20	\$6,266,790.21	x	x

^ABASE BID: The work generally includes excavating material from designated areas and conveying the materials to, filling, and shaping the conveyed materials and materials existing within Cell F at the BUS6 site, a remote offshore location in Corpus Christi Bay, to create the mitigation berms and a protection berm using either the installation of a geotextile tube with sand material excavated from DMPA 14 or an earthen fill within the specified template using material excavated from DMPA 14 and/or the Turning Basin and/or the offshore emergent levee or any combination thereof; preparation of planting plans for and the planting of seagrass, shoal grass, Halodule wrightii, in Cell E and/or D, and for smooth cord grass, Spartina alterniflora (Type 1), to the Cell F mitigation berms; post-plant monitoring of the planted vegetation, including preparation of monitoring plans, monitoring reports, and replanting if necessary; protection of the environment; erosion control; construction surveying; and cleanup. This is a Lump Sum bid item.

*PROTECTION BERM: Contractor to Specify Protection Berm: Geotextile Tube or Earthen Berm

^BADDITIVE BID ITEM 1: The work generally includes the preparation of planting plans for the harvest and the planting of up to 5.0 acre equivalent planting (AEP) of smooth cord grass Spartina alterniflora (Type 1) within existing Phase I mitigation berms at the direction of the PCCA; post-plant monitoring of the planted vegetation, including preparation of monitoring plans, monitoring reports, and replanting if necessary; protection of the environment; erosion control; construction surveying; and cleanup. Each acre equivalent to be planted at the Cell F locations designated by and upon approval in writing from the PCCA. For AEP, see Technical Specification 32 90 00 1.04. This is a Unit Price bid item. This item and its quantity can be added to the contract within 90 calendar days from the Notice to Proceed for the Base Bid.

[†] Dollars/1.0 AEP

^CADDITIVE BID ITEM 2: The work generally includes the preparation of planting plans for the harvest and planting of seagrass, shoal grass, Halodule wrightii, and the planting of up to 5.0 acre equivalent planting (AEP) seagrass within existing Cell F and/or Phase I mitigation berms; post-plant monitoring of the planted vegetation, including preparation of monitoring plans, monitoring reports, and replanting if necessary; protection of the environment; erosion control; construction surveying; and cleanup. Each acre equivalent planting to be installed into existing Phase I Cell F locations designated by and upon approval in writing from the PCCA. For AEP, see Technical Specification 32 90 00 1.04. This is a Unit Price bid item. This item and its quantity can be added to the contract within 90 calendar days from the Notice to Proceed for the Base Bid.

[†] Dollars/1.0 AEP

^DTOTAL EVALUATED BID: To rate the bids on an equitable basis and provide the most value to the PCCA, the bids will be evaluated using the following formula. Bidder must complete this formula: Base Bid (Total Lump Sum for Bid Item A) = \$_____ + 5.0 x \$_____/1.0 AEP Additive Bid Item 1 = \$_____ + 5.0 x \$_____/1.0 AEP Additive Bid Item 2 = \$_____

Read By: David Krams

Tabulated By: Eileen Mink

Checked & Prepared By: Lucy Betancourt

Date: July 8, 2016

DATE: July 19, 2016
TO: Port Commission
FROM: David Krams, P.E.
Krams@pocca.com
(361) 885-6134

AGENDA ITEM NO. 13.a

Approve a Service Order in the Amount of \$20,717.00 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, for Engineering Services Associated with Installation of the AEI Readers Project

SUMMARY: Staff requests approval of a service order with Coast and Harbor Engineering, d/b/a Mott MacDonald (MM), under its existing Professional Services Master Agreement, for additional engineering services for the not-to-exceed amount of \$20,717 associated with the installation of AEI readers.

BACKGROUND: Installation of the AEI readers project was awarded to RTSO Services, LLC, at the June 21, 2016 Commission Meeting. Automatic equipment identification (AEI) railcar readers record and transmit the information on coded data tags mounted on individual railcars as the railcars pass the AEI readers. After completion of this project, the PCCA will have four readers located throughout the Inner Harbor. These readers will provide a more accurate and precise working log of the rail traffic flowing in and out of the Port of Corpus Christi by receiving and transmitting data to and from passing cars to a cloud-based railcar management system utilized by PCCA staff.

Given the highly technical nature of the electronic and computer equipment and to ensure it is installed and operating properly, staff has requested Mott MacDonald provide additional engineering services during construction primarily for the final testing and commissioning phase of the project. The estimated cost for these services and for other engineering services during construction, should it be required, is \$13,375. In addition, MM has requested additional funds for work performed during the final design phase, which MM believes was not included in their original scope of work. PCCA has reviewed and agrees with \$7,342 of the MM's requested additional services.

The service order requested is for a time and materials, not-to-exceed amount of \$20,717 (\$13,375 plus \$7,342) to complete the engineering services associated with final design, testing, and commissioning of the AEI reader project.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: This project is included as a Supporting Infrastructure Capital and Maintenance Project in the 2016 Budget. In addition, the project conforms to the PCCA's Strategic Plan, specifically Strategic Goal #2 to Provide Facilities and Services to Meet Customer Needs.

EMERGENCY: No.

FINANCIAL IMPACT: The 2016 Engineering Workload budget included \$410,000 for this project in 2016 with \$205,251.30 awarded at the June 21, 2016 Commission meeting for construction.

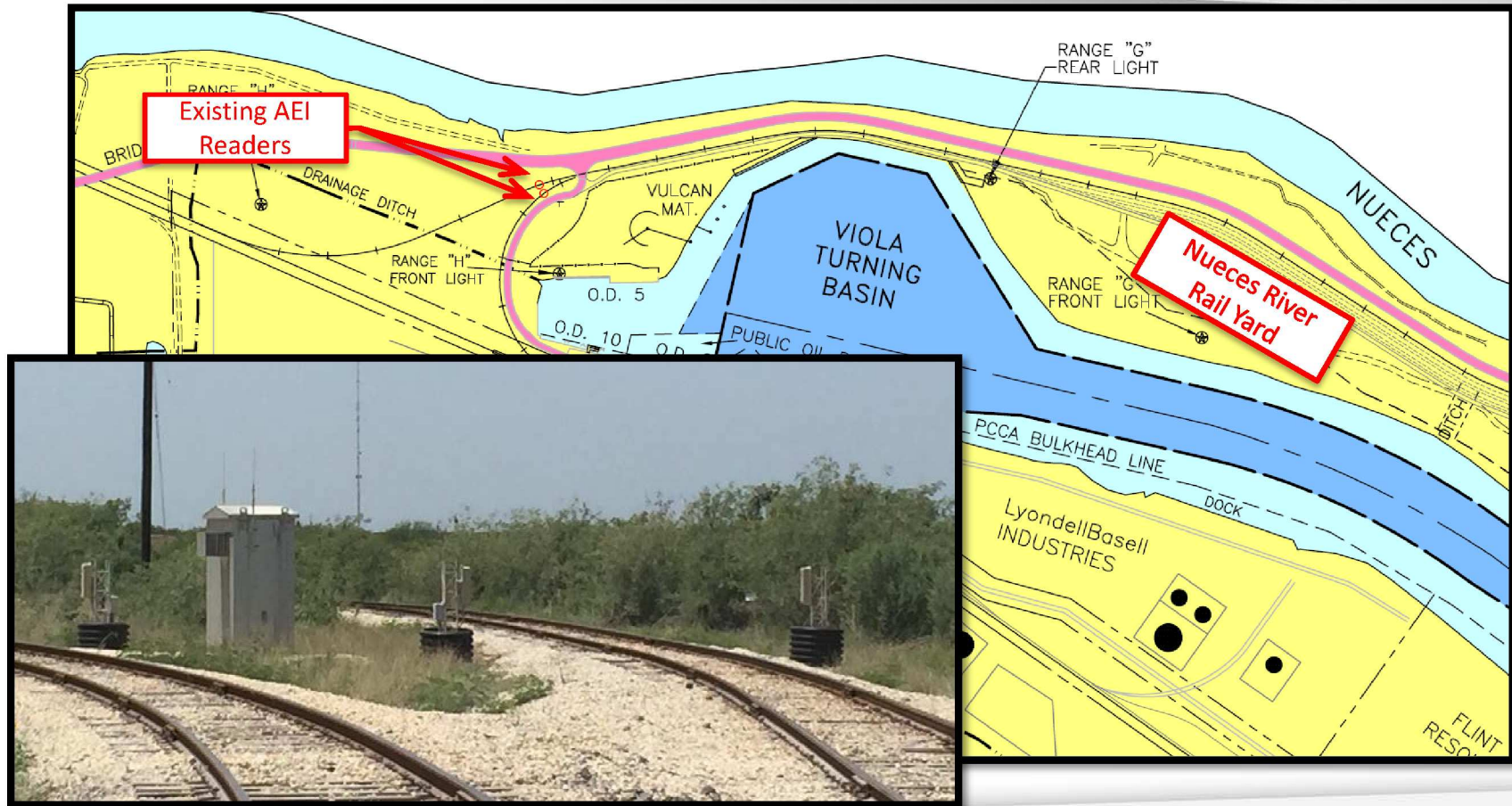
STAFF RECOMMENDATION: Staff recommends the approval of a service order with Coast and Harbor Engineering, d/b/a Mott MacDonald, under existing Professional Services Master Agreement No. 14-03, in an amount not to exceed \$20,717, to provide final design and construction phase engineering services for the project.

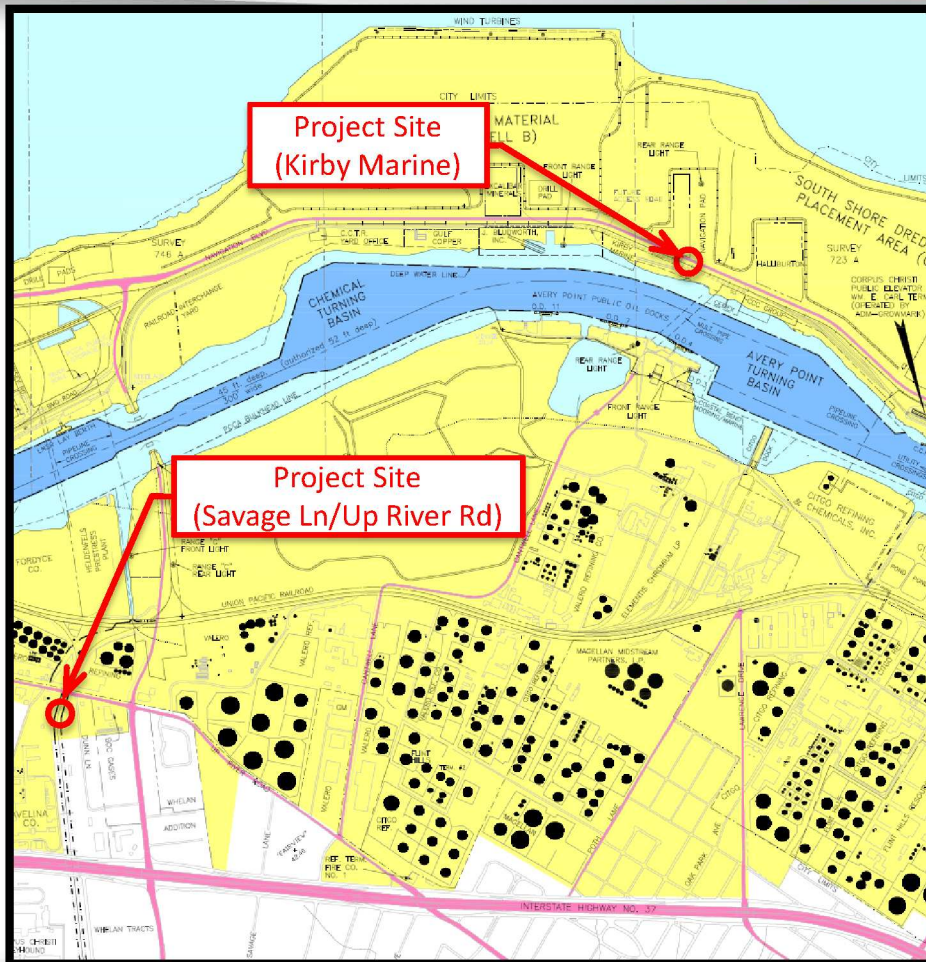
DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dave Michaelson
	Eileen Mink
Legal	Will use PCCA's standard form of service order
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

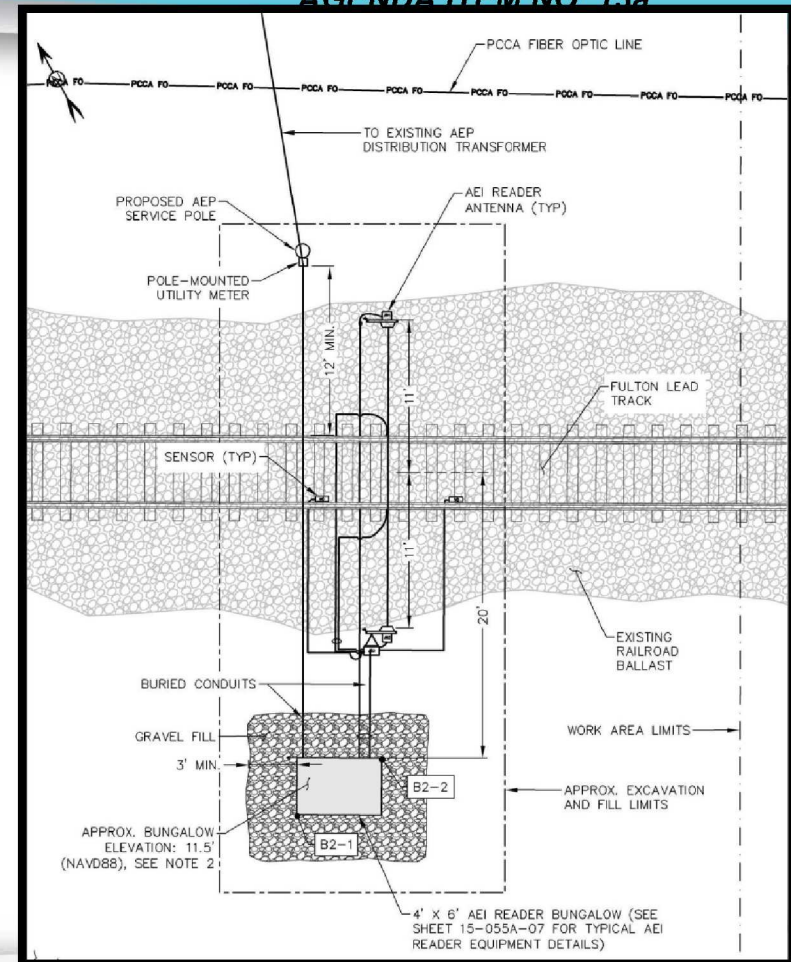
LIST OF SUPPORTING DOCUMENTS:

Map of Project Site





Project Location



Typical Installation



DATE: July 19, 2016
TO: Port Commission
FROM: Sarah L. Garza, Director of Environmental Planning & Compliance
sarah@pocca.com
(361) 885-6163

AGENDA ITEM NO. 13.b

Approve Professional Services Master Agreement No. 10-16 and Service Order No. 1 in the Amount of \$30,870.00 with Platinum Environmental Solutions, LLC, for Environmental Consulting Services Related to Completion of an Affected Property Assessment Report at the PCCA La Quinta Property

SUMMARY: Staff is requesting approval of a Professional Services Master Agreement with Platinum Environmental Solutions, LLC, for environmental consulting services. Additionally, included with this Master Agreement is Service Order No. 1 for completion of an Affected Property Assessment Report, in accordance with 30 TAC 350 for a time and materials amount not-to-exceed \$30,870. This project is included in the 2016 Budget.

BACKGROUND: Impacted soils resulting from historical operations along a pipeline right-of-way were identified during pipeline relocation activities at the PCCA La Quinta Property and subsequent sampling activities in September 2013 confirmed these impacts. The soil and groundwater impacts exceeding Texas Commission on Environmental Quality (TCEQ) protective concentration limits are located within the lease boundary of the property currently leased to voestalpine Texas LLC and per the negotiated lease agreement are PCCA's responsibility. The extent of impacted soil and groundwater has been delineated and reports providing the results of the drinking water survey and the classification of groundwater have been submitted to the TCEQ. The PCCA will need to complete an Affected Property Assessment Report (APAR) to evaluate any risk to human health and the environment resulting from the impacted soil and groundwater. Staff expects that completion of the APAR will include a request for closure with no further action.

The completion of the APAR was previously approved by the Port Commission under a master agreement with Golder and Associates, Inc. (Master Agreement 01-14, Service Order No. 3). However, the work remains incomplete and that service order was terminated by staff due to changes in the project team within Golder and Associates, Inc. and them being unable to replace to project team members with like experience to assure staff that the project could be completed.

CONFORMITY TO PORT POLICY: This project is necessary to eliminate encumbrances to Port property in support of the Port's Land Use Policy.

FINANCIAL IMPACT: Not applicable.

STAFF RECOMMENDATION: Staff recommends approval of the Professional Services Master Agreement with Platinum Environmental Solutions, LLC, for environmental consulting services and the associated Service Order No. 1 in the amount of \$30,870.

DEPARTMENTAL CLEARANCES:

Originating Department	Environmental Planning & Compliance
Reviewed & Approved	Sarah Garza
	James Haley
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Master Agreement No. 10-16 with Platinum Environmental Solutions, LLC
Service Order No. 1

**MASTER AGREEMENT
BETWEEN
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS,
AND ENVIRONMENTAL CONSULTANT
FOR
PROFESSIONAL SERVICES
SERVICE ORDER BASIS**



PLATINUM ENVIRONMENTAL SOLUTIONS, LLC

MASTER AGREEMENT NO. 10-16

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**MASTER AGREEMENT
BETWEEN
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS, AND ENVIRONMENTAL
CONSULTANT FOR PROFESSIONAL SERVICES
SERVICE ORDER BASIS**

THIS IS AN AGREEMENT made effective as of the 17th day of May 2016 (“Effective Date”) between Port of Corpus Christi Authority of Nueces County, Texas, (“PCCA”) and Platinum Environmental Solutions, LLC (“ENVIRONMENTAL CONSULTANT”), and ending at 5:00 p.m. on the 16th day of May 2017. ENVIRONMENTAL CONSULTANT intends to provide Professional Services to PCCA pursuant to Service Orders that may be issued by PCCA to ENVIRONMENTAL CONSULTANT from time to time as a part of this Agreement. In addition, PCCA has the option to renew the term of this Agreement for two (2) additional option periods of one (1) year each, beginning on the first day after the expiration of the primary term and each option term thereof. The right to renew will be exercised by PCCA giving to ENVIRONMENTAL CONSULTANT notice in writing of such exercise at least thirty (30) days prior to the expiration of the primary term or any option term of this Agreement. Notice of an intention to exercise an option under this Agreement must, to be effective, be hand delivered by reputable courier or sent by certified mail or facsimile transmission to ENVIRONMENTAL CONSULTANT at the address provided in the section in this Agreement entitled, “Notices,” and must be postmarked no later than the latest date provided in this paragraph for PCCA’s exercising the option. If either party wishes to change its address for notices, that party will submit the address change in writing to the other party in the same manner set forth in this paragraph. Each Service Order issued by PCCA to ENVIRONMENTAL CONSULTANT will be for a separate Project (“Project”). This Agreement is referred to in any Service Order issued pursuant hereto as “Master Agreement No. 10-16.” PCCA and ENVIRONMENTAL CONSULTANT in consideration of their mutual covenants as set forth herein further agree as follows:

ARTICLE 1
SERVICES OF ENVIRONMENTAL CONSULTANT

1.01 Scope and Project Description

A. ENVIRONMENTAL CONSULTANT will provide the Basic and Additional Services set forth herein and in Exhibit A. The Service Order may add or delete certain Basic or Additional Services provided for in this Agreement or provide certain terms that are different from terms provided in this Agreement. In such instances, PCCA and ENVIRONMENTAL CONSULTANT will provide in the Service Order reference by paragraph number or numbers those terms in this Agreement that are deleted or changed by the terms in the Service Order. In the event of a conflict between terms in this Agreement and the Service Order, the terms stated in the Service Order will control this Agreement. **Services pursuant to this Agreement will be required on an irregular and as needed basis during the term of this Agreement, and PCCA has not made nor does it make any representation of any kind or guarantee regarding the amount of Services PCCA will require from ENVIRONMENTAL CONSULTANT under this Agreement.**

B. During the term of this Agreement, PCCA may request that ENVIRONMENTAL CONSULTANT perform certain tasks described in this Agreement and in Exhibit A, subject to the issuance by PCCA of a Service Order, a sample of which is attached hereto and incorporated herein by reference for all purposes as Exhibit H. A Service Order for each separate Project issued pursuant to this Agreement will be attached to this Agreement, and each Service Order attached to this Agreement is hereby incorporated herein by reference for all purposes. Multiple Service Orders may be issued during the term of this Agreement. All Service Orders must be in writing, signed by an authorized representative of PCCA and ENVIRONMENTAL CONSULTANT, and include, if not described in this Agreement, a Scope of Services, a Basis of Payment, a list of tasks to be performed by ENVIRONMENTAL CONSULTANT, a time schedule, a list of deliverables, if any, and such other information or special conditions as may

be necessary for the Services required. Upon execution by the parties to this Agreement, each Service Order will become an attachment to this Agreement, and this Agreement with any attached Service Orders thereafter will be referred to as the "Agreement." **Nothing, however, contained in the foregoing provision for the issuance of a Service Order or Service Orders constitutes a representation or a guarantee that PCCA will issue any Service Order to ENVIRONMENTAL CONSULTANT for any of the Services of ENVIRONMENTAL CONSULTANT described in this Agreement.**

C. ENVIRONMENTAL CONSULTANT will neither perform nor have claim for payment for services that are not included in a Service Order. Changes in scope of work, cost estimate or schedule will be captured in a Service Order Amendment.

D. Upon execution of this Master Agreement No. 10-16 and issuance of a Service Order, ENVIRONMENTAL CONSULTANT is authorized to begin Basic Services and/or Additional Services as set forth in Exhibit A and each Service Order.

E. When applicable, ENVIRONMENTAL CONSULTANT will perform Services in accordance with the latest version of the PCCA Project Manual issued prior to the date of the Service Order.

ARTICLE 2

PCCA'S RESPONSIBILITIES

2.01 General

PCCA has the responsibilities set forth herein and in Exhibit B.

ARTICLE 3

TIMES FOR RENDERING SERVICES

3.01 General

A. ENVIRONMENTAL CONSULTANT's Services and compensation under this Agreement have been agreed to in anticipation of the orderly and continuous progress of each Project through completion. Unless specific periods of time or specific dates for providing Services are specified in each Service Order attached to this Agreement, ENVIRONMENTAL CONSULTANT's obligation to render Services hereunder will be for a period which may reasonably be required for the completion of said Services.

B. If, in each Service Order attached to this Agreement, specific periods of time for rendering Services are set forth or specific dates by which Services are to be completed are provided and if such periods of time or dates are changed through no fault of ENVIRONMENTAL CONSULTANT, the rates and amounts of compensation provided for herein will be subject to equitable adjustment. If PCCA has requested changes in the scope, extent, or character of the Project, the time of performance of ENVIRONMENTAL CONSULTANT's Services will be adjusted equitably.

C. For purposes of this Agreement, the term "day" means a calendar day of 24 hours.

3.02 Suspension

A. If PCCA fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if ENVIRONMENTAL CONSULTANT's Services are delayed through no fault of ENVIRONMENTAL CONSULTANT, ENVIRONMENTAL CONSULTANT may, after giving seven days written notice to PCCA, suspend Services under this Agreement.

B. If ENVIRONMENTAL CONSULTANT's Services are delayed or suspended in whole or in part by PCCA or if ENVIRONMENTAL CONSULTANT's Services are extended by PCCA or its Contractor's actions or inactions for more than 90 days from the date of the beginning of the delay or suspension through no fault of ENVIRONMENTAL CONSULTANT, ENVIRONMENTAL CONSULTANT will be entitled to an equitable adjustment of rates and amounts of compensation provided for elsewhere in this Agreement to reflect reasonable costs incurred by ENVIRONMENTAL CONSULTANT in connection with, among other things, such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

ARTICLE 4

PAYMENTS TO ENVIRONMENTAL CONSULTANT

4.01 Methods of Payment for Services and Reimbursable Expenses of Environmental Consultant

A. *For Basic Services.* PCCA will pay ENVIRONMENTAL CONSULTANT for Basic Services performed or furnished under Exhibit A, Part 1, for each Service Order as set forth in Exhibit C.

B. *For Additional Services.* PCCA will pay ENVIRONMENTAL CONSULTANT for Additional Services performed or furnished under Exhibit A, Part 2, for each Service Order as set forth in Exhibit C.

C. *For Reimbursable Expenses.* In addition to payments provided for in paragraphs 4.01.A and 4.01.B, PCCA will pay ENVIRONMENTAL CONSULTANT for Reimbursable Expenses incurred by ENVIRONMENTAL CONSULTANT and ENVIRONMENTAL CONSULTANT's Other Consultants and subcontractors as set forth in Exhibit C.

4.02 Other Provisions Concerning Payments

A. *Preparation of Invoices.* Invoices will be prepared in accordance with ENVIRONMENTAL CONSULTANT's standard invoicing practices and will be submitted monthly to PCCA by ENVIRONMENTAL CONSULTANT, unless otherwise agreed. The amount billed in each invoice will be calculated as set forth in Exhibit C. A brief monthly report will be submitted with each invoice that lists the tasks performed, amounts invoiced for each task, and an estimated percent completion for each task.

B. *Payment of Invoices.* Invoices are due and payable within 30 days of receipt. If PCCA fails to make any payment due ENVIRONMENTAL CONSULTANT for Services and Reimbursable Expenses within 30 days after receipt of ENVIRONMENTAL CONSULTANT's invoice, the amounts due ENVIRONMENTAL CONSULTANT will be increased at the rate of three percent (3%) per annum from said 30th day. In addition, ENVIRONMENTAL CONSULTANT may, after giving seven days written notice to PCCA, suspend Services under this Agreement until ENVIRONMENTAL CONSULTANT has been paid in full all amounts due for Services, Reimbursable Expenses, and other relevant charges. Payments will be credited first to interest and then to principal.

C. *Representation of Invoices.* No partial payment or approval of any invoice by PCCA will constitute final acceptance or approval of the scope of work as to which the partial payment or approval relates, nor shall partial payment or approval be construed as relieving ENVIRONMENTAL CONSULTANT of any of its obligations. Each invoice will constitute a representation to PCCA that:

1. The invoiced work has been fully performed in accordance with all requirements of this Agreement.
2. The performance of the Work is progressing in accordance with all requirements of this Agreement.
3. Payment of the invoiced amount has been earned by, and is properly due and payable to ENVIRONMENTAL CONSULTANT.

4. ENVIRONMENTAL CONSULTANT has paid or will pay all Other Consultants and any other subcontractors and vendors working for ENVIRONMENTAL CONSULTANT on each Project for their services.

D. *Disputed Invoices.* In the event of a disputed or contested invoice, only that portion so contested may be withheld from payment. Any undisputed portion will be paid. PCCA will promptly notify ENVIRONMENTAL CONSULTANT of any disputed item and request either clarification of the disputed item or that remedial action be taken to resolve the disputed item. Once a disputed item has been settled, ENVIRONMENTAL CONSULTANT will include the disputed item on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

E. *Payments Upon Termination.*

1. In the event of termination under paragraph 6.06, ENVIRONMENTAL CONSULTANT will be entitled to invoice PCCA and will be paid in accordance with Exhibit C for all Services performed or furnished and all Reimbursable Expenses incurred through the effective date of termination.

2. In the event of termination by PCCA for convenience or by ENVIRONMENTAL CONSULTANT for cause, ENVIRONMENTAL CONSULTANT, in addition to invoicing for those items identified in subparagraph 4.02.D.1, will be entitled to invoice PCCA and will be paid a reasonable amount for Services and Reimbursable Expenses directly attributable to termination, both before and after the effective date of termination, such as costs of terminating contracts with Other Consultants and any other subcontractors and vendors working for ENVIRONMENTAL CONSULTANT, and other related close-out costs, using methods and rates for Additional Services as set forth in Exhibit C.

3. Notwithstanding anything in this Agreement herein to the contrary, neither party will be charged with or liable for any consequential damages including, but not limited to, loss of profits or loss of business opportunities suffered by the other party as a result of either party's breach of this Agreement or failure to perform any of its obligations under this Agreement.

F. *Records of Environmental Consultant's Costs.* Records of ENVIRONMENTAL CONSULTANT's costs and hourly rates pertinent to ENVIRONMENTAL CONSULTANT's compensation under this Agreement will be kept in accordance with generally accepted accounting practices. To the extent necessary to verify ENVIRONMENTAL CONSULTANT's charges and, upon PCCA's timely request, ENVIRONMENTAL CONSULTANT will provide to PCCA ENVIRONMENTAL CONSULTANT's records of time-based and reimbursable costs.

G. *Legislative Actions.* In the event of legislative actions after the Effective Date of the Agreement by any level of government that imposes taxes, fees, or costs on ENVIRONMENTAL CONSULTANT's Services or other costs in connection with this Project or compensation therefore, such new taxes, fees, or costs will be invoiced to and paid by PCCA as a Reimbursable Expense to which a factor of 1.0 will be applied. Should such taxes, fees, or costs be imposed, they will be in addition to ENVIRONMENTAL CONSULTANT's estimated total compensation.

ARTICLE 5

OPINIONS OF COST

5.01 Opinions of Costs

ENVIRONMENTAL CONSULTANT's opinions of Costs of the Project provided for herein are to be made on the basis of ENVIRONMENTAL CONSULTANT's experience and qualifications and represent ENVIRONMENTAL CONSULTANT's best judgment as an experienced and qualified professional generally familiar with the industry. However, since ENVIRONMENTAL CONSULTANT has no control over the cost of labor, materials, equipment, or services furnished by others, or over the methods of others working on the Project and determining prices, or over competitive bidding or market conditions, ENVIRONMENTAL CONSULTANT cannot

and does not guarantee that proposals, Bids, or actual Costs of the Project will not vary from opinions of Costs of the Project prepared by ENVIRONMENTAL CONSULTANT. If PCCA wishes greater assurance as to Costs of the Project, PCCA may employ an independent cost estimator as provided in Exhibit B or request ENVIRONMENTAL CONSULTANT to employ an independent cost estimator as an Additional Service.

ARTICLE 6

GENERAL CONSIDERATIONS

6.01 Standards of Performance

A. The standard of care for all professional consulting services and related Services performed or furnished by ENVIRONMENTAL CONSULTANT under this Agreement will be the care and skill ordinarily used by members of ENVIRONMENTAL CONSULTANT's profession practicing under similar circumstances at the same time and in the same locality.

B. ENVIRONMENTAL CONSULTANT is responsible for the technical accuracy of its Services and documents resulting therefrom, and PCCA is not responsible for discovering deficiencies therein. ENVIRONMENTAL CONSULTANT will correct such deficiencies without additional compensation except to the extent such action is directly attributable to deficiencies in PCCA-furnished information.

C. ENVIRONMENTAL CONSULTANT will perform or furnish professional consulting services and related Services in all phases of the Project to which this Agreement applies as per the applicable Service Order. ENVIRONMENTAL CONSULTANT will serve as PCCA's prime professional for the Project. ENVIRONMENTAL CONSULTANT may employ such Other Consultants or other subcontractors and vendors as ENVIRONMENTAL CONSULTANT deems necessary to assist in the performance or furnishing of the Services. ENVIRONMENTAL CONSULTANT is not required to employ any Other Consultant unacceptable to ENVIRONMENTAL CONSULTANT. ENVIRONMENTAL CONSULTANT must provide to PCCA for inclusion in the Service Order the names and addresses of all ENVIRONMENTAL CONSULTANT's employees working on the Project site and any other subcontractors that ENVIRONMENTAL CONSULTANT will use on the Project.

D. ENVIRONMENTAL CONSULTANT and PCCA will comply with applicable Laws or Regulations and PCCA-mandated standards. This Agreement is based on these requirements as of its Effective Date. Changes to these requirements after the Effective Date of this Agreement may be the basis for modifications to PCCA's responsibilities or to ENVIRONMENTAL CONSULTANT's Scope of Services, times of performance, or compensation.

E. PCCA is responsible for, and ENVIRONMENTAL CONSULTANT may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by PCCA to ENVIRONMENTAL CONSULTANT pursuant to this Agreement, unless otherwise indicated when provided to ENVIRONMENTAL CONSULTANT. ENVIRONMENTAL CONSULTANT may use such requirements, reports, data, and information in performing or furnishing Services under this Agreement.

F. PCCA will make decisions and carry out its other responsibilities in a timely manner and bear all costs incident thereto so as not to delay the Services of ENVIRONMENTAL CONSULTANT.

G. ENVIRONMENTAL CONSULTANT is not required to sign any document, no matter by whom requested, that would result in ENVIRONMENTAL CONSULTANT's having to certify, guarantee, or warrant the existence of conditions whose existence ENVIRONMENTAL CONSULTANT cannot ascertain. PCCA agrees not to make resolution of any dispute with ENVIRONMENTAL CONSULTANT or payment of any amount due to ENVIRONMENTAL CONSULTANT in any way contingent upon ENVIRONMENTAL CONSULTANT's signing any such certification.

H. Except when specified in the Service Order, during the construction phase, ENVIRONMENTAL CONSULTANT will not supervise, direct, or have control over Contractor's Work, nor will ENVIRONMENTAL CONSULTANT have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor; for safety precautions and programs incident to Contractor's Work in progress; nor for any failure of Contractor to comply with Laws and Regulations applicable to any Contractor on the Project furnishing and performing the Work.

I. ENVIRONMENTAL CONSULTANT neither guarantees the performance of any Contractor on the Project nor assumes responsibility for any Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.

J. ENVIRONMENTAL CONSULTANT is not responsible for the acts or omissions of any Contractor(s), subcontractor(s) or supplier(s), or of any of Contractor's agents or employees or any other persons (except ENVIRONMENTAL CONSULTANT's own employees, Other Consultants or subcontractors and vendors) at the Site or otherwise furnishing or performing any of Contractor's Work; or for any decision made on interpretations or clarifications of the Contract Documents given by PCCA without consultation and advice of ENVIRONMENTAL CONSULTANT.

K. All construction Contract Documents prepared hereunder must include the PCCA "General Conditions."

L. All Services provided pursuant to this Agreement by ENVIRONMENTAL CONSULTANT shall be warranted for a period of one-year following final acceptance of the Services by PCCA. If any failure to meet this warranty occurs within one year after Services are accepted by PCCA, the ENVIRONMENTAL CONSULTANT shall again perform the Services affected by such failure at the ENVIRONMENTAL CONSULTANT'S sole expense. Upon the expiration of one year, all such obligations to re-perform the Services shall cease unless otherwise stated in writing. The ENVIRONMENTAL CONSULTANT shall be entitled to rely on the accuracy of information supplied by or at the direction of PCCA.

M. In the performance of its obligations under this Agreement, the ENVIRONMENTAL CONSULTANT shall be acting in the capacity of an independent contractor and not as an agent, employee, partner, joint venture or associate of PCCA. The ENVIRONMENTAL CONSULTANT shall be solely responsible for the means, methods, techniques, sequences and procedures utilized by it in the performance of this Agreement.

N. ENVIRONMENTAL CONSULTANT will prepare a schedule of Services identified as the "Service Schedule" in the Service Order attached hereto and made a part of this Agreement. The Service Schedule will contain a complete schedule so that ENVIRONMENTAL CONSULTANT's Scope of Services under this Agreement can be accomplished within the specified time and contract cost. The Service Schedule will provide specific task sequences and definite review times by PCCA and ENVIRONMENTAL CONSULTANT of the Services performed. If the review time should take longer than shown on the Service Schedule, through no fault of ENVIRONMENTAL CONSULTANT, additional contract time will be authorized by PCCA through a supplemental agreement if requested by a timely written request from ENVIRONMENTAL CONSULTANT and approved by PCCA.

O. ENVIRONMENTAL CONSULTANT will notify PCCA in writing as soon as possible if ENVIRONMENTAL CONSULTANT determines or reasonably anticipates that Services under the Agreement cannot be completed before the due date for such Services, and PCCA may, at its sole discretion, extend the contract period by timely supplemental agreement. ENVIRONMENTAL CONSULTANT must allow adequate time for review and approval of the request for time extension by PCCA prior to expiration of this Agreement.

P. ENVIRONMENTAL CONSULTANT will promptly advise PCCA in writing of events that have a significant impact upon the progress of the Services, including:

1. Problems, delays, adverse conditions that will materially affect the ability to attain contract objectives, prevent the meeting of time schedules and goals, or preclude the completion of any phase by the established time periods; this disclosure will be accompanied by a statement of the action taken or contemplated and any state or federal assistance needed to resolve the situation; and

2. Favorable developments or events that enable meeting the Service Schedule goals sooner than anticipated.

Q. PCCA assumes no liability for Services performed or costs incurred prior to the date authorized by PCCA to begin Services, during periods when Services are suspended, or subsequent to the completion date of the Services.

R. If PCCA finds it necessary to request changes to previously satisfactorily completed Work or parts thereof which involve changes to the original Scope of Services or character of the Work under the Agreement, ENVIRONMENTAL CONSULTANT will make such revisions if requested and as directed by PCCA. This will be considered as Additional Services pursuant to Exhibit A, Part 2, "Additional Services."

S. All data, basic sketches, charts, calculations, plans, Specifications, and other documents created or collected under the terms of the Agreement are the exclusive property of PCCA and will be furnished to PCCA upon request. All documents prepared by ENVIRONMENTAL CONSULTANT and all documents furnished to ENVIRONMENTAL CONSULTANT by PCCA will be delivered to PCCA upon completion or termination of the Agreement. ENVIRONMENTAL CONSULTANT, at ENVIRONMENTAL CONSULTANT's expense, may retain copies of such documents or any other data that it has furnished PCCA under the Agreement.

T. ENVIRONMENTAL CONSULTANT will furnish adequate and sufficient personnel and equipment to perform the Services. All employees of ENVIRONMENTAL CONSULTANT will have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of ENVIRONMENTAL CONSULTANT who, in the opinion of PCCA, is incompetent or whose conduct becomes detrimental to the Services will immediately be removed from association with the Project when ENVIRONMENTAL CONSULTANT is so instructed by PCCA. ENVIRONMENTAL CONSULTANT certifies that it presently has adequate qualified personnel in its employ for performance of the Services required under the Agreement or will be able to obtain such personnel from sources other than PCCA.

U. PCCA has the right at all reasonable times to review or otherwise evaluate the Services performed or being performed hereunder and the premises in which it is being performed. If any review or evaluation is made on the premises of ENVIRONMENTAL CONSULTANT or its Other Consultant or subcontractor, ENVIRONMENTAL CONSULTANT will provide and require its Other Consultant or subcontractor to provide all reasonable facilities and assistance for the safety and convenience of PCCA's Representative(s) in the performance of their duties.

V. The responsible ENVIRONMENTAL CONSULTANT will sign, certify and date all appropriate submissions to PCCA. Where appropriate, the responsible Environmental Professional (Engineer, Geologist, Industrial Hygienist, etc.) will also seal all appropriate submissions in accordance with the applicable licensing board.

W. PCCA has the exclusive right to examine the books and records of ENVIRONMENTAL CONSULTANT for the purpose of checking the amount of Services performed by ENVIRONMENTAL CONSULTANT at the time of termination of the Agreement. ENVIRONMENTAL CONSULTANT will maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred and will make such materials available at its office during the Agreement period and for four (4) years from the date of final payment under this Agreement or until pending litigation has been completely and fully resolved, whichever occurs last. PCCA will have access to any and all books, documents, papers, and records of ENVIRONMENTAL CONSULTANT that are directly pertinent to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions of time-based and Reimbursable Expenses.

X. ENVIRONMENTAL CONSULTANT will comply with the Regulations of the Department of Transportation 49 CFR Parts 21 and 23 CFR §710.405(b) as they relate to nondiscrimination; also, Executive Order 11246 entitled Equal Employment Opportunity as amended by Executive Order 11375 and as supplemented in Department of Labor Regulation 41 CFR Part 60. See "Civil Rights Compliance" attached hereto and identified as Exhibit K.

Y. Under Section 231.006 of the Family Code, ENVIRONMENTAL CONSULTANT certifies that the individuals or business entity named in the Agreement are eligible to receive the specified grant or payment and acknowledges that the Agreement may be terminated and payment withheld if this certification is inaccurate. ENVIRONMENTAL CONSULTANT further acknowledges that ENVIRONMENTAL CONSULTANT has read Exhibit L and has provided the names and social security numbers required therein.

6.02 Authorized Project Representative

Contemporaneous with the execution of each Service Order, ENVIRONMENTAL CONSULTANT and PCCA will designate specific individuals to act on behalf of ENVIRONMENTAL CONSULTANT and PCCA with respect to the Services to be performed or furnished by ENVIRONMENTAL CONSULTANT and responsibilities of PCCA under such Service Order. Such individuals will have authority to transmit instructions, receive information, and render decisions relative to the Project on behalf of each respective party. ENVIRONMENTAL CONSULTANT will not change designated project personnel without prior written consent of PCCA.

6.03 Design Without Construction Phase Services

A. Should PCCA provide construction phase services with either PCCA's Representative or a third party, ENVIRONMENTAL CONSULTANT's Basic Services under this Agreement will be considered to be completed upon completion of the Final Design Phase or Bidding or Negotiating Phase as outlined in Exhibit A.

B. It is understood and agreed that if ENVIRONMENTAL CONSULTANT's Basic Services under this Agreement do not include Project observation, review of Contractor's performance, or any other construction phase services, and that such services will be provided by PCCA, then PCCA assumes all responsibility for interpretation of the Contract Documents and for construction observation or review and waives any claim against ENVIRONMENTAL CONSULTANT that may be in any way connected thereto.

6.04 Use of Documents

A. Upon payment of all fees owed for each Service Order, all materials, information, electronic files and Documents acquired or generated relative to each corresponding Service Order are the property of PCCA.

B. Copies of PCCA-furnished data that are delivered to ENVIRONMENTAL CONSULTANT pursuant to Exhibit B and that may be relied upon by ENVIRONMENTAL CONSULTANT may be provided as printed copies (also known as hard copies) or as electronic media format of text, data, graphics or of other types.

C. Copies of Documents that may be relied upon by PCCA may be either printed copies (also known as hard copies) that are signed or sealed by ENVIRONMENTAL CONSULTANT or files in electronic media format of text, data, graphics, or of other types that are furnished by ENVIRONMENTAL CONSULTANT.

D. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party will be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files. ENVIRONMENTAL CONSULTANT is responsible to maintain documents stored in electronic media format after acceptance by PCCA.

E. When transferring documents, neither PCCA nor ENVIRONMENTAL CONSULTANT make any representation to the other as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by PCCA or ENVIRONMENTAL CONSULTANT at the beginning of this Project.

F. Documents provided by ENVIRONMENTAL CONSULTANT are not intended or represented to be suitable for reuse by PCCA or others on extensions of the Project or on any other project. PCCA may, however, reuse such documents without any payment to ENVIRONMENTAL CONSULTANT. Any such reuse or

modification without written verification or adaptation by ENVIRONMENTAL CONSULTANT, as appropriate for the specific purpose intended, will be at PCCA's sole risk and without liability or legal exposure to ENVIRONMENTAL CONSULTANT or to ENVIRONMENTAL CONSULTANT's Other Consultants.

G. If there is a discrepancy between the electronic files and the hard copies, ENVIRONMENTAL CONSULTANT will correct discrepancy upon notification.

H. Any verification or adaptation of the Documents by ENVIRONMENTAL CONSULTANT for extensions of the Project or for any other project will entitle ENVIRONMENTAL CONSULTANT to further compensation at rates to be agreed upon by PCCA and ENVIRONMENTAL CONSULTANT.

6.05 Insurance

A. At ENVIRONMENTAL CONSULTANT's expense, ENVIRONMENTAL CONSULTANT will procure and maintain and keep in force minimum insurance as set forth in Exhibit G, "Insurance," as will protect ENVIRONMENTAL CONSULTANT from claims which may arise out of or result from ENVIRONMENTAL CONSULTANT's Services pursuant to this Agreement, whether such operations be by ENVIRONMENTAL CONSULTANT, any Other Consultants or by any subcontractor working for ENVIRONMENTAL CONSULTANT, by anyone directly or indirectly employed by ENVIRONMENTAL CONSULTANT or ENVIRONMENTAL CONSULTANT's subcontractor, or by anyone for whose acts ENVIRONMENTAL CONSULTANT or ENVIRONMENTAL CONSULTANT's Other Consultant or subcontractor may be liable. All required insurance coverages must be purchased from insurance carriers with an A. M. Best rating of A:VII or better.

B. ENVIRONMENTAL CONSULTANT will deliver to PCCA certificates of insurance evidencing the coverages indicated in Exhibit G, "Insurance." Such certificates will be furnished prior to commencement of ENVIRONMENTAL CONSULTANT's Services and at renewals or changes of insurance companies thereafter during the life of the Agreement. Any such certificates must be executed by an authorized representative of the company issuing the insurance policy and contain a provision that coverage afforded under the policies will not be cancelled until at least 30 days prior written notice has been given to PCCA by ENVIRONMENTAL CONSULTANT. ENVIRONMENTAL CONSULTANT's Other Consultants and subcontractors will be named as "additional insureds" on each liability (excluding Workers' Compensation and Professional Liability policies) or property policy of insurance purchased and maintained by ENVIRONMENTAL CONSULTANT for the Project.

C. At any time, PCCA may request that ENVIRONMENTAL CONSULTANT, at PCCA's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G, "Insurance." If so requested by PCCA, with the concurrence of ENVIRONMENTAL CONSULTANT, and if commercially available, ENVIRONMENTAL CONSULTANT will obtain and will require ENVIRONMENTAL CONSULTANT's Other Consultants and, as applicable, ENVIRONMENTAL CONSULTANT's subcontractors to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by PCCA, and Exhibit G and the Service Order will be amended to incorporate these requirements.

D. Under all applicable coverages, except professional liability coverage, ENVIRONMENTAL CONSULTANT will provide a Waiver of Subrogation endorsement in favor of PCCA. The endorsement will additionally provide that ENVIRONMENTAL CONSULTANT releases PCCA from liability for any claims ENVIRONMENTAL CONSULTANT may have against PCCA that are or should have been covered by the insurance for which the Waiver of Subrogation is made.

E. Under all applicable coverages, except professional liability coverage, ENVIRONMENTAL CONSULTANT will cause the policies of insurance for all applicable coverages to be endorsed to include PCCA as an "additional insured" when permitted by law and provide that, notwithstanding any language in any policy of insurance held by PCCA ("PCCA Insurance") to the effect that the PCCA Insurance is primary, the policies of insurance held by ENVIRONMENTAL CONSULTANT are primary coverage, and the PCCA Insurance is non-contributory so that PCCA Insurance will not share with the policies held by ENVIRONMENTAL CONSULTANT.

The deductible or self-insured retention for each of the Policies must be stated in the certificate of insurance if it exceeds \$50,000, in which case PCCA may elect not to enter into this Agreement with ENVIRONMENTAL CONSULTANT. If requested, ENVIRONMENTAL CONSULTANT will provide PCCA a true copy of each of the Policies required in this Agreement, including all endorsements on each policy.

F. ENVIRONMENTAL CONSULTANT will not commence Services under this Agreement until ENVIRONMENTAL CONSULTANT has obtained all insurance required hereunder and certificates of such insurance in a form that is on file with and that has been approved by the Texas Department of Insurance.

6.06 Termination

A. The obligation to provide further services under this Agreement may be terminated:

1. *For Cause.* Either party, in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party, may terminate this Agreement upon 30 days written notice.

a. If ENVIRONMENTAL CONSULTANT believes that ENVIRONMENTAL CONSULTANT is being requested by PCCA to furnish or perform Services contrary to ENVIRONMENTAL CONSULTANT's responsibilities as a licensed professional or if ENVIRONMENTAL CONSULTANT's Services for the Project are delayed or suspended for more than 90 days for reasons beyond ENVIRONMENTAL CONSULTANT's control, ENVIRONMENTAL CONSULTANT may terminate this Agreement upon seven days written notice to PCCA.

b. Notwithstanding the foregoing, this Agreement will not terminate as a result of such substantial failure if the party receiving such notice begins, within seven days of receipt of such notice, to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of such notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30-day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of such notice.

2. *For Convenience.* PCCA may terminate this Agreement effective upon the receipt of notice from PCCA by ENVIRONMENTAL CONSULTANT.

B. The terminating party under paragraphs 6.06.A.1 or 6.06.A.2 may set the effective date of termination at a time up to 30 days later than otherwise provided to allow ENVIRONMENTAL CONSULTANT to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

C. ENVIRONMENTAL CONSULTANT will be paid for all Services performed and Reimbursable Expenses incurred prior to the effective date of termination. Upon payment of all amounts rightfully owed by PCCA to ENVIRONMENTAL CONSULTANT, PCCA will take ownership of the Documents pursuant to Section 6.04 herein.

6.07 Controlling Law

This Agreement is governed by the laws of the state of Texas. Venue of any action will be in Nueces County, Texas. In the event of a conflict between the wording of this Agreement, including any Service Order or Service Orders attached to it and any Purchase Order issued by PCCA in connection with this Agreement, the wording of this Agreement, including any Service Order or Service Orders attached to it, will control the interpretation of this Agreement.

6.08 Successors, Assigns, and Beneficiaries

A. PCCA and ENVIRONMENTAL CONSULTANT each is hereby bound and the partners, successors, executors, administrators, and legal representatives of PCCA and ENVIRONMENTAL CONSULTANT and, to the extent permitted by paragraph 6.08.B, the assigns of PCCA and ENVIRONMENTAL CONSULTANT are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither PCCA nor ENVIRONMENTAL CONSULTANT may assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, claims arising out of this Agreement or moneys that are due or may become due) without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Unless expressly provided otherwise in this Agreement:

1. Nothing in this Agreement will be construed to create, impose, or give rise to any duty owed by PCCA or ENVIRONMENTAL CONSULTANT to any Contractor, Contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them.

2. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of PCCA and ENVIRONMENTAL CONSULTANT and not for the benefit of any other party, person, or entity.

6.09 Dispute Resolution

A. PCCA and ENVIRONMENTAL CONSULTANT agree to negotiate all disputes between them in good faith (including, if agreed, the use of a mediator) for a period of 30 days from the date of notice prior to exercising their rights under this Section or other provisions of this Agreement or under law. In the absence of such an agreement, the parties may exercise their rights under law.

B. If and to the extent that PCCA and ENVIRONMENTAL CONSULTANT have agreed on a method and procedure for resolving disputes between them arising out of or relating to this Agreement, such dispute resolution method and procedure is set forth in this Section.

C. In the event PCCA requests that ENVIRONMENTAL CONSULTANT perform Services that, in ENVIRONMENTAL CONSULTANT's opinion, are not included under the Basic Services described in Exhibit A and PCCA believes that it is included, ENVIRONMENTAL CONSULTANT will proceed with the Services after notifying PCCA that ENVIRONMENTAL CONSULTANT does not agree that the Services after including under the Basic Services without delay, and perform them to the satisfaction of PCCA. At the conclusion of the Project, or in no event longer than six months, ENVIRONMENTAL CONSULTANT may request that the issue of payment for this work be submitted to mediation (if both parties agree) or to arbitration as outlined in this Section.

D. In the event PCCA and ENVIRONMENTAL CONSULTANT cannot agree on the price of Additional Services requested by PCCA, ENVIRONMENTAL CONSULTANT will proceed with the Services without delay and perform them to the satisfaction of PCCA. At the conclusion of the Project, or in no event longer than six months, ENVIRONMENTAL CONSULTANT may request that the disputed price for any Additional Services be submitted to mediation (if both parties agree) or to arbitration.

1. All disputes between PCCA and ENVIRONMENTAL CONSULTANT, subject to the negotiation or mediation referred to in this Section, will be settled by arbitration in accordance with the Arbitration Rules of the American Arbitration Association effective at the Effective Date of the Agreement, subject to the limitations and restrictions stated in paragraphs A through D below. This agreement to arbitrate and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this paragraph will be specifically enforceable under prevailing law of any court having jurisdiction.

a. Notice of the demand for arbitration must be filed in writing with the other party to the Agreement and with the American Arbitration Association. The demand must be made within a reasonable time after the dispute has arisen. In no event may the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such dispute would be barred by the applicable statute of limitations.

b. All demands for arbitration and all answering statements thereto that include any monetary claims must contain a statement that the total sum or value in controversy as alleged by the party making such demand or answering statement is not more than \$100,000.00 (exclusive of interest and costs). The arbitrators will not have jurisdiction, power, or authority to consider or make findings (except in denial of their own jurisdiction) concerning any dispute where the amount in controversy of any such dispute is more than \$100,000.00 (exclusive of interest and costs) or to render a monetary award in response thereto against any party that totals more than \$100,000.00 (exclusive of interest and costs).

c. The award rendered by the arbitrators will be final, and judgment may be entered upon it in any court in Nueces County, Texas, having jurisdiction thereof.

d. If a dispute in question between PCCA and ENVIRONMENTAL CONSULTANT involves the Work of a Contractor, subcontractor, or consultant to PCCA or ENVIRONMENTAL CONSULTANT (each a "Joinable Party"), either PCCA or ENVIRONMENTAL CONSULTANT may join each Joinable Party as a party to the arbitration between PCCA and ENVIRONMENTAL CONSULTANT hereunder, and ENVIRONMENTAL CONSULTANT or PCCA, as appropriate, will include in each contract with each such Joinable Party a specific provision whereby such Joinable Party consents to being joined in an arbitration between PCCA and ENVIRONMENTAL CONSULTANT involving the Work or Services of such Joinable Party. Nothing in this Section, nor in the provision of such contract consenting to joinder, will create any claim, right, or cause of action in favor of the Joinable Party and against PCCA or ENVIRONMENTAL CONSULTANT that does not otherwise exist.

6.10 Hazardous Environmental Conditions

A. PCCA, will disclose, to the best of its knowledge, to ENVIRONMENTAL CONSULTANT the existence of all Asbestos, PCBs, Petroleum, Hazardous Substance, or Radioactive Material known to PCCA or its employees and located at the Site, including type, quantity and location.

B. If a Hazardous Environmental Condition is encountered or alleged, by ENVIRONMENTAL CONSULTANT or ENVIRONMENTAL CONSULTANT's employees and Other Consultants or subcontractors, ENVIRONMENTAL CONSULTANT has the obligation to notify PCCA and, to the extent of applicable Laws and Regulations, appropriate governmental officials.

C. The Parties acknowledge that ENVIRONMENTAL CONSULTANT's Scope of Services may include Services related to a Hazardous Environmental Condition and that the project site(s) may contain hazardous or toxic substances, constituents, contaminants, materials, or pollutants. ENVIRONMENTAL CONSULTANT knowingly and voluntarily assumes all risks of injury and damage to ENVIRONMENTAL CONSULTANT, its Other Consultants, employees, agents, subcontractors and others working for the ENVIRONMENTAL CONSULTANT, and damage to property caused by exposure to these materials. ENVIRONMENTAL CONSULTANT agrees to advise fully all of its Other Consultants, employees, agents, subcontractors, and others working for ENVIRONMENTAL CONSULTANT, of such risks and of all necessary environmental, safety, and health procedures required by Governmental Requirements. ENVIRONMENTAL CONSULTANT will continuously inspect its work, materials, and equipment to identify and promptly correct unsafe conditions.

D. PCCA acknowledges that ENVIRONMENTAL CONSULTANT is performing Professional Services for PCCA and that ENVIRONMENTAL CONSULTANT is not and will not be required to become an "operator" or "generator" or "transporter" of hazardous substances, as defined in the Comprehensive Environmental

Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the Site in connection with ENVIRONMENTAL CONSULTANT's activities under this Agreement.

6.11 Indemnification and Release

A. As used in this paragraph, each of the following terms will have the meanings set forth in this Section.

1. "Beneficiary" means the intended recipient of the benefits of another party's Indemnity, Waiver or obligation to Defend.

2. "Claims" means all claims, damages (including actual and punitive), losses, fines, penalties, liens, causes of action, suits, judgments, settlements, and expenses [including court costs, attorney's fees (including attorney's fees in defending and/or settling a Claim and attorney's fees to collect on this Indemnity), costs of investigation, and expert witnesses] of any nature, kind, or description by, through, or of any person or entity.

3. "Defend" means to oppose on behalf of another party a Claim in litigation, arbitration, mediation or other alternative dispute resolution proceeding and to pay all reasonable and incurred costs associated with the preparation or prosecution of such Defense.

4. "Indemnify" means to protect and hold harmless a party from and against a potential Claim and/or to compensate a party for a Claim actually incurred.

5. "Indemnified Persons" means PCCA, its Port Commissioners, directors, managers, employees, and agents.

6. "ENVIRONMENTAL CONSULTANT Parties" means the ENVIRONMENTAL CONSULTANT, its agents, employees, owners, Other Consultants and subcontractors under contract, or other entities over which the ENVIRONMENTAL CONSULTANT exercises control.

7. "Waive" means to knowingly and voluntarily relinquish a right and/or to release another party from liability.

B. Subject to the terms of this Section, ENVIRONMENTAL CONSULTANT will Defend and Indemnify the Indemnified Persons from and against all Claims to the extent caused by or resulting from, or alleged to have been caused by or resulted from, any of the following matters (these Claims being referred to herein as the "Indemnified Claims"):

1. The negligent conduct of ENVIRONMENTAL CONSULTANT's business on the Project;

2. ENVIRONMENTAL CONSULTANT's breach of this Agreement; or

3. Any negligent act, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by any ENVIRONMENTAL CONSULTANT Party, including the sole, joint, concurrent, or comparative negligence of any ENVIRONMENTAL CONSULTANT Party in connection with or pertaining to this Agreement.

C. The Indemnities, Waivers and obligation to Defend in this Section will be enforced to the fullest extent permitted by applicable law for the benefit of the applicable Beneficiary thereof, regardless of any extraordinary shifting of risks, and even if the applicable Claim is caused by the joint, concurrent, or comparative negligence of such Beneficiary; provided, however, that an Indemnity will not be enforced to the extent that a court of competent jurisdiction holds in a final judgment that the applicable Claim against a Beneficiary was caused by the willful misconduct or sole negligence of such Beneficiary.

D. Notwithstanding anything to the contrary contained in this Section, to the extent an Indemnified Claim arises out of the joint, concurrent, or comparative negligence, causation, responsibility, or fault of the Indemnified Persons and the ENVIRONMENTAL CONSULTANT Parties, then the ENVIRONMENTAL CONSULTANT's obligation to the Indemnified Persons will extend only to the percentage of the total responsibility of the ENVIRONMENTAL CONSULTANT Parties in contributing to such Indemnified Claim.

E. In Claims against any Indemnified Person by or for an employee of an ENVIRONMENTAL CONSULTANT Party, the ENVIRONMENTAL CONSULTANT's indemnification obligation under this Section will not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the ENVIRONMENTAL CONSULTANT Party under the Workers' Compensation Act, disability benefit acts, or other employee benefit acts.

F. Except as otherwise expressly limited in this Section, it is the intent of the parties to this Agreement that all indemnity obligations and liabilities contracted for in this Agreement be without monetary limit.

G. If any action or proceeding is brought against an Indemnified Person by reason of any Indemnified Claim described in this Section, the Indemnified Person will be represented by its general counsel or another attorney selected by the Indemnified Person and approved by ENVIRONMENTAL CONSULTANT, which approval will not be unreasonably withheld, and ENVIRONMENTAL CONSULTANT shall indemnify the Indemnified Person for attorney's fees actually incurred.

H. If ENVIRONMENTAL CONSULTANT should fail or refuse, after written notice to ENVIRONMENTAL CONSULTANT that an Indemnified Person intends to make a settlement of an Indemnified Claim, to participate in the settlement of such Indemnified Claim, then the Indemnified Person may settle with the claimant without prejudice to the Indemnified Person's indemnity rights set forth herein, and a settlement after such notice to ENVIRONMENTAL CONSULTANT will constitute a settlement of the proportionate fault including, but not limited to, negligence of both ENVIRONMENTAL CONSULTANT and the Indemnified Person, which settlement may later be apportioned between Indemnified Person and ENVIRONMENTAL CONSULTANT.

I. ENVIRONMENTAL CONSULTANT agrees to support its obligations to Indemnify and Defend the Indemnified Persons by the purchase of insurance, including contractually assumed liability coverage; provided, however, PCCA acknowledges that ENVIRONMENTAL CONSULTANT's professional liability insurance will not provide for defense coverage.

J. To the fullest extent provided by this Section, ENVIRONMENTAL CONSULTANT hereby waives all Claims against the Indemnified Persons caused by or resulting from any of the Indemnified Claims.

6.12 Notices

Any notice required under this Agreement must be submitted in writing, addressed to the appropriate party at its address on the signature page or on the written change of address as outlined in paragraph one on page one of this Agreement, and sent by registered or certified mail postage prepaid, by facsimile transmission, or by a reputable commercial courier service. All notices will be effective upon the date of receipt.

6.13 Survival

All express representations, indemnifications, or limitations of liability included in this Agreement will survive its completion or termination for any reason.

6.14 Severability

Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations will be deemed stricken, and all remaining provisions will continue to be valid and binding upon PCCA and ENVIRONMENTAL CONSULTANT, who agree that the Agreement will be revised to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

6.15 Waiver

Non-enforcement of any provision by either party will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Agreement.

6.16 Headings

The headings used in this Agreement are for general reference only and do not have special significance.

6.17 Public Meetings/Records

PCCA is a political subdivision of the state of Texas subject to the requirements of the Texas Open Meetings Act and the Texas Public Information Act (Texas Government Code, Chapters 551 and 552), and as such, PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, ENVIRONMENTAL CONSULTANT agrees that the disclosure of this Agreement, or any other information or materials related to the consummation of the transactions contemplated hereby, to the public by PCCA as required by the Texas Open Meetings Act, Texas Public Information Act, or any other law will not expose PCCA (or any party acting by, through or under PCCA) to any claim, liability, or action by ENVIRONMENTAL CONSULTANT.

6.18 Confidentiality

ENVIRONMENTAL CONSULTANT will keep confidential all information in whatever form produced, prepared, observed or received from PCCA to the extent that such information is: (a) confidential by law; (b) marked or designated "Confidential" or words to that effect; or (c) information that ENVIRONMENTAL CONSULTANT is otherwise required to keep confidential by this Agreement. Notwithstanding the above, ENVIRONMENTAL CONSULTANT will be permitted to disclose any information required by law or court order. In addition, ENVIRONMENTAL CONSULTANT will not advertise it is doing business with PCCA or use this Agreement as a marketing or sales tool without the prior written consent of PCCA.

6.19 Relationship of the Parties

ENVIRONMENTAL CONSULTANT is associated with PCCA only for the purposes and to the extent specified in this Agreement and in respect of the contracted Services pursuant to this Agreement. ENVIRONMENTAL CONSULTANT is and will be an independent contractor and, subject only to the terms of this Agreement, will have the sole right to supervise, manage, operate, control and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement is deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for PCCA whatsoever with respect to the indebtedness, liabilities or obligations of ENVIRONMENTAL CONSULTANT or any other party. ENVIRONMENTAL CONSULTANT will be solely responsible for, and PCCA has no obligation with respect to:

- A. Withholding of income taxes, FICA, or any other taxes or fees;
- B. Industrial or Workers Compensation insurance coverage;
- C. Participation in any group insurance plans available to employees of ENVIRONMENTAL CONSULTANT;
- D. Accumulation of vacation leave or sick leave; or

- E. Unemployment compensation coverage provided by the State of Texas.

ARTICLE 7 **DEFINITIONS**

7.01 Defined Terms

Wherever used in this Agreement (including the Exhibits hereto) and printed with initial or all capital letters, the terms listed below have the meanings indicated, which are applicable to both the singular and plural thereof:

1. *Addenda.* Written or graphic instruments issued prior to the opening of Bids that clarify, correct, or change the Bid Documents.
2. *Additional Services.* The Services to be performed for or furnished to PCCA by ENVIRONMENTAL CONSULTANT in accordance with Exhibit A, Part 2, and the corresponding Service Order attached to this Agreement.
3. *Agreement.* This “Master Agreement between PCCA and ENVIRONMENTAL CONSULTANT for Professional Services,” including those Exhibits listed in Article 8 hereof and any Service Orders that may be attached to and incorporated in this Agreement by reference for all purposes.
4. *Application for Payment to Contractor.* The form acceptable to PCCA and agreed upon by ENVIRONMENTAL CONSULTANT that is to be used by Contractor in requesting progress or final payments for the completion of the Work and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
5. *Asbestos.* Any material that contains more than one percent (1%) Asbestos and is friable or is releasing Asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
6. *Consultant Services.* The Services to be performed for or furnished to PCCA by ENVIRONMENTAL CONSULTANT in accordance with Exhibit A, Part 1, and the corresponding Service Order attached to this Agreement.
7. *Bid.* The offer or proposal of the bidder submitted on the PCCA-prescribed form setting forth the prices for the Work to be performed.
8. *Bid Documents.* The advertisement or invitation to Bid, instructions to bidders, the Bid form and attachments, the bid bond, if any, the Contract Documents, and all Addenda, if any.
9. *Change Order.* A document recommended by ENVIRONMENTAL CONSULTANT, which is signed by Contractor and PCCA, to authorize an addition to, deletion from, or revision in the Work, or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Construction Agreement.
10. *Construction Agreement.* The entire and integrated written agreement between PCCA and Contractor concerning the Work.
11. *Cost(s) of the Project.* The cost to PCCA of those portions of the entire Project designed or specified by ENVIRONMENTAL CONSULTANT. The Cost(s) of the Project does not include costs of Services of ENVIRONMENTAL CONSULTANT or other design professionals and Other Consultants; costs of land, rights-of-way, or compensation for damages to properties; or PCCA’s costs for legal, accounting, insurance counseling or

auditing services, or interest and financing charges incurred in connection with the Project; or the costs of services to be provided to PCCA by others pursuant to Exhibit B of this Agreement.

12. *Contract Documents.* The documents described in the Construction Agreement between PCCA and Contractor as the Contract Documents. Approved Shop Drawings and the reports and drawings of subsurface and physical conditions are not Contract Documents.

13. *Contract Price.* The moneys payable by PCCA to Contractor for completion of the Work in accordance with the Contract Documents and as stated in the Construction Agreement.

14. *Contract Times.* The numbers of days or the dates stated in the Construction Agreement to: (i) achieve Substantial Completion and (ii) complete the Work so that it is ready for final payment as evidenced by ENVIRONMENTAL CONSULTANT's written recommendation of final payment.

15. *Contractor.* An individual or entity with which PCCA enters into a Construction Agreement.

16. *Correction Period.* The time after Substantial Completion during which Contractor must correct, at no cost to PCCA, any Defective Work; normally one year after the date of Substantial Completion or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee or specific provision of the Contract Documents.

17. *Defective.* An adjective which, when modifying the word Work, refers to Work that is unsatisfactory, faulty, or deficient in that it does not conform to the Contract Documents; does not meet the requirements of any inspection, reference standard, test, or approval referred to in the Contract Documents; or has been damaged prior to ENVIRONMENTAL CONSULTANT's recommendation of final payment.

18. *Documents.* Data, reports, Drawings, Specifications, Record Drawings, and other deliverables, whether in printed or electronic media format, provided or furnished in appropriate phases by ENVIRONMENTAL CONSULTANT to PCCA pursuant to this Agreement.

19. *Drawings.* That part of the Contract Documents prepared or approved by ENVIRONMENTAL CONSULTANT that graphically shows the scope, extent, and character of the Work to be performed or was performed by ENVIRONMENTAL CONSULTANT or Contractor. Shop drawings are not Drawings as so defined.

20. *Effective Date of the Construction Agreement.* The date indicated in the Construction Agreement on which it becomes effective; but if no such date is indicated, it means the date on which the Construction Agreement is signed and delivered by the last of the two parties to sign and deliver.

21. *Effective Date of the Agreement.* The date indicated in this Agreement on which it becomes effective; but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.

22. *Other Consultants.* Individuals or entities having a contract with ENVIRONMENTAL CONSULTANT to furnish Services with respect to any Project pursuant to this Agreement as ENVIRONMENTAL CONSULTANT's independent professional associates. The term ENVIRONMENTAL CONSULTANT includes ENVIRONMENTAL CONSULTANT's Other Consultants.

23. *Field Order.* A written order issued by ENVIRONMENTAL CONSULTANT which directs minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

24. *Final Acceptance.* That point in the Project wherein ENVIRONMENTAL CONSULTANT considers the Project complete and PCCA issues a Certificate of Final Acceptance.

25. *General Conditions.* That part of the Contract Documents that sets forth the terms, conditions, and procedures that govern the Work to be performed or furnished by Contractor with respect to the Project.

26. *Hazardous Environmental Condition.* The presence at the Site of Asbestos, PCBs, Petroleum, Hazardous Substance, or Radioactive Materials in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto in connection with the Work.

27. *Hazardous Substance.* The term Hazardous Substance will have the meaning provided in Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended from time to time or to the extent the laws of the state of Texas establish a meaning for Hazardous Substance which is broader than that specified in CERCLA, such broader meaning will apply.

28. *Laws and Regulations; Laws or Regulations.* Any and all applicable laws, rules, regulations, ordinances, codes, standards, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

29. *PCBs.* Polychlorinated biphenyls.

30. *PCCA's Representative.* The PCCA's Representative is David L. Krams, P.E., Director of Engineering Services for the Port of Corpus Christi Authority of Nueces County, Texas, or his duly authorized representative.

31. *Petroleum.* Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60° Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other Non-Hazardous Waste and crude oils.

32. *Project.* The Project consists of the design, implementation or construction, and management of the Work.

33. *Radioactive Materials.* Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 *et seq*) as amended from time to time.

34. *Record Drawings.* The Drawings as issued for construction on which the ENVIRONMENTAL CONSULTANT, upon completion of the Work, has shown changes due to Addenda, Field Orders, and Change Orders and other information that ENVIRONMENTAL CONSULTANT considers significant based on record documents furnished by Contractor to ENVIRONMENTAL CONSULTANT and which were annotated by Contractor to show changes made during construction.

35. *Reimbursable Expenses.* The expenses incurred directly by ENVIRONMENTAL CONSULTANT in connection with performing or furnishing Basic and Additional Services for the Project for which PCCA will pay ENVIRONMENTAL CONSULTANT as indicated in Exhibit C.

36. *Samples.* Physical examples of soil, groundwater, materials, equipment, or workmanship that are representative of some portion of the Work and are used for comparison to existing standards by which such portion of the Work will be judged.

37. *Services.* Professional consulting provided by ENVIRONMENTAL CONSULTANT as described in this Agreement and each Service Order attached to this Agreement.

38. *Service Order.* The Service Order is the document that describes the Project (see Exhibit M) and defines the Scope of Services, Service Schedule, deliverables, and compensation to be paid to ENVIRONMENTAL CONSULTANT.

39. *Shop Drawings.* All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by ENVIRONMENTAL CONSULTANT for Contractor and are used to illustrate some portion of the Work.

40. *Site.* Lands or areas indicated in this Agreement or the Drawings as being furnished by PCCA upon which the Work is to be performed, rights-of-way and easements for access thereto, and such other lands furnished by PCCA that are designated for use by Contractor.

41. *Specifications.* That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.

42. *Substantial Completion.* That point in the Project wherein ENVIRONMENTAL CONSULTANT, unless PCCA has designated someone other than ENVIRONMENTAL CONSULTANT as its representative, recommends and PCCA determines that the Project is suitable for use or occupancy for its intended purpose but may still require minor miscellaneous work or adjustment.

43. *Special Conditions.* That part of the Contract Documents which amends or supplements the General Conditions.

44. *Total Project Costs.* The sum of the Construction Cost; allowances for contingencies; the total costs of Services of CONSULTANT or other design professionals and Other Consultants; costs of land, rights-of-way, or compensation for damages to properties; PCCA's costs for legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project; and the cost of services to be provided to PCCA by others pursuant to Exhibit B of this Agreement.

45. *Work.* The entire completed construction or the various separately identifiable parts thereof required to be provided by Contractor pursuant to the Contract Documents in the Construction Agreement for construction with respect to this Project. Work includes and is the result of performing or furnishing labor, services, and documentation necessary to produce such construction and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

46. *Work Change Directive.* A written directive to Contractor, issued on or after the Effective Date of the Construction Agreement and signed by PCCA upon recommendation of the ENVIRONMENTAL CONSULTANT, ordering an addition to, deletion from, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed, or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change directed or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiation by the parties as to its effect, if any, on the Contract Price or Contract Times.

47. *Written Amendment.* A written amendment of the Contract Documents signed by PCCA and Contractor on or after the Effective Date of the Construction Agreement and normally dealing with the non-engineering or non-technical rather than strictly construction-related aspects of the Contract Documents.

ARTICLE 8

EXHIBITS AND SPECIAL PROVISIONS

8.01 Exhibits Included

- | | | |
|----|--|--------------------------|
| A. | Exhibit A, "CONSULTANT's Services and Responsibilities." | (Consisting of 10 Pages) |
| B. | Exhibit B, "PCCA's Responsibilities." | (Consisting of 3 Pages) |
| C. | Exhibit C, "Payments to CONSULTANT for Services and "Reimbursable Expenses." | (Consisting of 3 Pages) |
| | Appendix 1, "Reimbursable Expenses Schedule." | (Consisting of 1 Pages) |

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|----|---|-------------------------|
| | Appendix 2, "Standard Hourly Rates Schedule." | (Consisting of 1 Pages) |
| | Appendix 3, "Application/Certification for Payment." | (Consisting of 2 Pages) |
| D. | Exhibit D, "Duties, Responsibilities, and Limitations of Authority of Resident Project Representative." | (Consisting of 4 Pages) |
| E. | Exhibit E, "Duties, Responsibilities, and Limitations of Authority of Resident Project Representative on Abatement Projects." | (Consisting of 5 Pages) |
| F. | Exhibit F, "Notice of Acceptability of Work." | (Consisting of 3 Pages) |
| G. | Exhibit G, "Insurance." | (Consisting of 1 Pages) |
| | Appendix 1, "PCCA Certificate of Insurance." | (Consisting of 1 Pages) |
| H. | Exhibit H, "Service Order Form." | (Consisting of 4 Pages) |

8.02 Total Agreement

This Agreement (consisting of pages 1 to 21 inclusive, together with the Exhibits identified above) constitutes the entire Agreement between PCCA and CONSULTANT and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

PCCA:

**Port of Corpus Christi Authority
of Nueces County, Texas**

By: _____

Name: John P. LaRue

Title: Executive Director

Date Signed: _____

Address for giving notice:

222 Power Street
Corpus Christi, Texas 78401
Attention: Director of Environmental
Planning & Compliance

Designated Representative (§ 6.02):

Sarah L. Garza

Title: Director of Environmental Planning & Compliance

Phone Number: 361-885-6134

Facsimile Number: 361-881-5161

E-Mail Address: sarah@pocca.com

CONSULTANT:

Platinum Environmental Solutions, LLC

By: 

Name: Peter C. Berveiler, P.E., PMP

Title: Principal Engineer

Date Signed: 5/31/2016

Address for giving notice:

5534 Birdwood
Houston, Texas 77096
Attention: Peter C. Berveiler, P.E., PMP

Designated Representative (§ 6.02):

Peter C. Berveiler, P.E., PMP

Title: Principal Engineer

Phone Number: 713-240-0696

Facsimile Number: _____

E-Mail Address: pete@engineeringandconsulting.com

ENVIRONMENTAL CONSULTANT's Services and Responsibilities

Article 1 of the Agreement is amended and supplemented to include the following agreement of the parties. ENVIRONMENTAL CONSULTANT will provide Basic and Additional Services as set forth below.

PART 1 – BASIC SERVICES

A-1.01 Study and Report Phase

A. ENVIRONMENTAL CONSULTANT will:

1. Consult with PCCA to define and clarify PCCA's requirements for the Project and available data.
2. Advise PCCA as to the necessity of PCCA's providing data or services of the types described in Exhibit B, which are not part of ENVIRONMENTAL CONSULTANT's Basic Services, and assist PCCA in obtaining such data and services.
3. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the Project or portions of the Project including, but not limited to, mitigating measures identified in any environmental assessment, permitting requirements, characterization of subsurface conditions relative to probable constituents of concern or hazardous substance and remediation of identified constituents of concern or hazardous substances, and assessments for identifying the presence of asbestos, PCBs or lead paint and the development plan for the abatement or appropriate handling of identified asbestos, PCBs or lead paint.
4. Identify and evaluate the number of alternate solutions stated in the Service Order available to PCCA and, after consultation with PCCA, recommend to PCCA those solutions which in ENVIRONMENTAL CONSULTANT's judgment meet PCCA's requirements for the Project.
5. ENVIRONMENTAL CONSULTANT has examined all project sites involved in performing the Services stated in the Agreement and Service Order(s) and has knowledge of all conditions under which the Services are to be executed and completed, including but not limited to, soil and groundwater conditions to the extent applicable, approaches to the project sites and the space available for work areas, storage and temporary buildings. ENVIRONMENTAL CONSULTANT is responsible for preparing and implementing a Health and Safety Plan / Program in accordance with the applicable Occupational Safety and Health Administration (OSHA) standards appropriate for the Services being performed and the site conditions, including any PCCA site specific requirements.
6. ENVIRONMENTAL CONSULTANT will immediately notify PCCA regarding any condition that threatens to adversely affect quality assurance and control of the Services being performed. Additionally, ENVIRONMENTAL CONSULTANT will immediately notify PCCA if it becomes aware of any pending or threatened governmental or third party action or claim relating to: (i) the Services being performed, (ii) the status of any of ENVIRONMENTAL CONSULTANT's or PCCA's permits or licenses related to the project site(s) or the Services being performed, or (iii) a violation or alleged violation of Governmental requirements.
7. Conduct Phase I Environmental Site Assessment in accordance with ASTM Standard 1527-E and recommendations for a Phase II Environmental Site Assessment, as appropriate, in preparation for property transactions that PCCA may be considering.
8. Conduct subsurface investigation activities as is necessary to delineate and characterize subsurface conditions at the site in accordance with applicable rules and regulations. To the extent this includes laboratory, sampling or field work; ENVIRONMENTAL CONSULTANT will maintain complete records of the chain of custody and deliver the records to PCCA.

9. Prepare a report ("Report"), including but not limited to, permit application(s) and regulating agency standard report forms/documents, which will, as appropriate, contain figures, summary tables, schematic layouts, sketches and/or conceptual design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and those alternate solutions available to PCCA which ENVIRONMENTAL CONSULTANT recommends. This Report will be accompanied by ENVIRONMENTAL CONSULTANT's opinion of Costs of the Project with each component separately itemized, including the following, which will be separately itemized: recommended options (whether this includes remediation activities or additional assessment costs); allowances for contingencies and for the estimated total costs of design, professional, and related Services provided by ENVIRONMENTAL CONSULTANT; and, on the basis of information furnished by PCCA, allowances for other items and services included within the definition of Total Project Costs.

10. Perform or provide additional study and report phase tasks or deliverables stated in the Service Order.

11. Coordinate proper disposal of investigation derived wastes, prepare for PCCA an agreement between PCCA and the company detailing the work to be done and the cost and submit to PCCA for approval; and maintain complete records of chain of custody and control of handling, transporting and final disposal of all hazardous and/or waste materials and deliver the records to PCCA.

12. Furnish one complete electronic copy in PDF format (unless a different number and format is stated in the Service Order) of the Report to PCCA within the number of days of authorization to begin Services and review it with PCCA as provided in the Service Order.

13. Revise the Report in response to PCCA's and other parties' comments, as appropriate, and furnish one complete electronic copy in PDF format (unless a different number or format is stated in the Service Order) of the revised Report to PCCA within the number of days after completion of reviewing it with PCCA as provided in the Service Order. On behalf of PCCA, submit final Report to regulating governmental authority for review and approval.

B. ENVIRONMENTAL CONSULTANT's Services under the study and report phase will be considered complete on the date the final copies of the revised Report have been delivered to and accepted by PCCA.

A-1.02 Preliminary Design Phase

A. After acceptance by PCCA of the Report, selection by PCCA of a recommended solution and indication of any specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by PCCA, and upon written authorization from PCCA, ENVIRONMENTAL CONSULTANT will:

1. On the basis of the above acceptance, selection, and authorization, prepare preliminary design phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Project and where required, complete applicable governmental authority standard report forms/documents.

2. Conduct additional subsurface investigation activities as approved to further delineate and characterize subsurface conditions including any groundwater plume at the site. To the extent this includes laboratory, sampling, or field work, ENVIRONMENTAL CONSULTANT will maintain complete records of the chain of custody and deliver records to PCCA.

3. Provide necessary field surveys and topographic and utility mapping for design purposes. Utility mapping will be based upon information obtained from utility owners.

4. Advise PCCA if additional reports, data, information, or services of the types described in Exhibit B are necessary and assist PCCA in obtaining such reports, data, information, or services.

5. Coordinate proper disposal of investigation derived wastes and maintain complete records of chain of custody and control of handling, transporting and final disposal of all hazardous and/or waste materials and deliver the records to PCCA.

6. Based on the information contained in the preliminary design phase documents, submit a revised opinion of Construction Cost and any adjustments to Total Project Costs known to ENVIRONMENTAL CONSULTANT, which will be itemized as provided in paragraph A-1.01.A.5.

7. Perform or provide additional preliminary design phase tasks or deliverables stated in the Service Order.

8. Furnish the preliminary design phase documents to and review them with PCCA.

9. Submit to PCCA one complete electronic copy in PDF format (unless a different number and format is stated in the Service Order) of the preliminary design phase documents and revised opinion of Costs of the Project within the number of days after authorization to proceed with this phase as provided in the Service Order. On behalf of PCCA, submit final design phase documents to regulating governmental authority for review and approval.

B. ENVIRONMENTAL CONSULTANT's Services under the preliminary design phase will be considered complete on the date final copies of the preliminary design phase documents have been delivered to and accepted by PCCA and applicable governmental authority.

A-1.03 Final Design Phase

A. After acceptance by PCCA of the preliminary design phase documents and revised opinion of Costs of Project, and where required, after receipt of governing authorities approval of final design documents, as determined in the preliminary design phase, but subject to any PCCA- or governing authorities-directed modifications or changes in the scope, extent, character, or design requirements of or for the Project, and upon written authorization from PCCA, ENVIRONMENTAL CONSULTANT will:

1. On the basis of the above acceptance, direction, and authorization, prepare final Drawings indicating the scope, extent, and character of the Work to be performed and furnished by Contractor. Associated technical specifications will be prepared, where appropriate, in general conformance with the most recent Master Format of the Construction Specifications Institute.

2. Provide technical criteria, written descriptions, and design data for PCCA's use in filing applications for other related permits from or approvals of governmental authorities having jurisdiction to review or approve the final design of the Project or portions of the Project, and assist PCCA in consultations with appropriate authorities.

3. Advise PCCA of any adjustments to the opinion of Costs of the Project and any adjustments to Total Project Costs known to ENVIRONMENTAL CONSULTANT, itemized as provided in paragraph A-1.01.A.5.

4. Perform or provide additional final design phase tasks or deliverables stated in the Service Order.

5. Prepare and furnish Bid Documents for review and approval by PCCA, its legal counsel, and other advisors, as appropriate, and assist PCCA in the preparation of other related documents.

6. Submit one final copy in original editing format and one complete PDF copy (unless a different number and format is stated in the Service Order) of the Bid Documents, a revised opinion of Costs of Project, and final CAD file and micro station drawings to PCCA within the number of days after authorization to proceed with this phase as provided in the Service Order.

B. In the event the Work designed or specified by ENVIRONMENTAL CONSULTANT is to be performed or furnished under more than one prime contractor if ENVIRONMENTAL CONSULTANT's Services are to be separately sequenced with the work of one or more prime Contractors (such as in the case of fast-tracking), PCCA and ENVIRONMENTAL CONSULTANT will, prior to commencement of the final design phase, develop a schedule for performance of ENVIRONMENTAL CONSULTANT's Services during the final design, bidding or negotiating, construction, and post-construction phases in order to sequence and coordinate properly such Services as are applicable to the Work under such separate prime contracts. This schedule is to be prepared and included in or become an amendment to Exhibit A whether or not the Work under such contracts is to proceed concurrently.

C. The number of prime contracts for Work designed or specified by ENVIRONMENTAL CONSULTANT upon which the ENVIRONMENTAL CONSULTANT's compensation has been established under this Agreement is one (1) unless otherwise specified in each Service Order.

D. ENVIRONMENTAL CONSULTANT's Services under the final design phase will be considered complete on the date the submittals required by paragraph A-1.03.A.6 have been delivered to and accepted by PCCA and applicable governmental authority.

PART 2 – ADDITIONAL SERVICES

A-1.04 Bidding or Negotiating Phase

A. After acceptance by PCCA of the Bid Documents and the most recent opinion of Costs of the Project as determined in the final design phase and upon written authorization by PCCA to proceed, ENVIRONMENTAL CONSULTANT will:

1. Assist PCCA in advertising for and obtaining Bids or negotiating proposals for the Work and, where applicable, maintain a record of prospective bidders to whom Bid Documents have been issued; attend pre-Bid conferences, if any; and receive and process bidders' deposits or charges for the Bid Documents.
2. Prepare Addenda as appropriate to clarify, correct, or change the Bid Documents.
3. Consult with PCCA as to the acceptability of subcontractors, suppliers, and other individuals and entities proposed by Contractor for those portions of the Work for which acceptability is required by the Bid Documents.
4. Determine the acceptability of substitute materials and equipment proposed during the bidding or negotiating phase when substitution prior to award of the contract is allowed by the Bid Documents.
5. Perform or provide additional bidding or negotiating phase tasks or deliverables stated in the Service Order.
6. Attend the Bid opening, prepare Bid tabulation sheets, and assist PCCA in evaluating Bids and in assembling and awarding contracts for the Work.

B. The bidding or negotiating phase will be considered complete upon commencement of the construction phase or upon cessation of negotiations with prospective Contractors.

A-1.05 Construction Phase

A. Upon successful completion of the bidding and negotiating phase, and upon written authorization from PCCA, ENVIRONMENTAL CONSULTANT will:

1. *General Administration of Construction Contract.* Consult with PCCA and act as PCCA's Representative as provided in the General Conditions relative to the section entitled "OWNER-ENGINEER RELATIONSHIP. The extent and limitations of the duties, responsibilities and authority of ENVIRONMENTAL CONSULTANT as assigned in said General Conditions will not be modified, except as ENVIRONMENTAL CONSULTANT may otherwise agree in writing. PCCA's instructions to Contractor can be issued through ENVIRONMENTAL CONSULTANT, who has authority to act on behalf of PCCA in dealings with Contractor to the extent provided in this Agreement and said General Conditions except as otherwise provided in writing.

2. *Selecting Independent Testing Laboratory.* Assist PCCA in the selection of an independent testing laboratory to perform the services identified in paragraph B-2.01.O.

3. *Pre-Construction Conference.* Participate in a pre-construction conference prior to commencement of Work at the Site.

4. *Baseline and Benchmarks.* Establish baselines and benchmarks for locating the Work as ENVIRONMENTAL CONSULTANT deems necessary to enable Contractor to proceed.

5. *Visits to Site and Observation of Construction.* In connection with observations of Contractor's Work in progress while it is in progress:

a. Make visits to the Site at intervals appropriate to the various stages of construction, as ENVIRONMENTAL CONSULTANT deems necessary, in order to observe as an experienced and qualified design professional the progress and performance of the Work. Such visits and observations by ENVIRONMENTAL CONSULTANT are not intended to be exhaustive or to extend to every aspect of Contractor's Work in progress or to involve detailed inspections of Contractor's Work in progress beyond the responsibilities specifically assigned to ENVIRONMENTAL CONSULTANT in this Agreement and the Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on ENVIRONMENTAL CONSULTANT's exercise of professional judgment. Based on information obtained during such visits and such observations, ENVIRONMENTAL CONSULTANT will determine in general if Contractor's Work is proceeding in accordance with the Contract Documents, and ENVIRONMENTAL CONSULTANT will keep PCCA informed of the progress of the Work.

b. The purpose of ENVIRONMENTAL CONSULTANT's visits to the Site will be to enable ENVIRONMENTAL CONSULTANT to better carry out the duties and responsibilities assigned to and undertaken by ENVIRONMENTAL CONSULTANT during the construction phase, and, in addition, by the exercise of ENVIRONMENTAL CONSULTANT's efforts as an experienced and qualified design professional, to provide for PCCA a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor. Except when specified in the Service Order for projects that include abatement activities, ENVIRONMENTAL CONSULTANT will not, during such visits or as a result of such observations of Contractor's Work in progress, supervise, direct, or have control over Contractor's Work, nor will ENVIRONMENTAL CONSULTANT have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor; provided, however, if ENVIRONMENTAL CONSULTANT observes a condition at the Project Site or Work being performed that in ENVIRONMENTAL CONSULTANT's opinion involves a matter

of safety at the Project, ENVIRONMENTAL CONSULTANT will promptly notify Contractor and PCCA about such matter for safety precautions and programs incident to Contractor's furnishing and performing the Work. Accordingly, ENVIRONMENTAL CONSULTANT neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.

6. *Project Monitoring.* ENVIRONMENTAL CONSULTANT will provide air monitoring activities for Project and/or Contractors employees as specified in applicable protocol or procedure documents.

7. *Defective Work.* ENVIRONMENTAL CONSULTANT will have the authority to reject Contractor's Work while it is in progress if, on the basis of such observations, ENVIRONMENTAL CONSULTANT believes that such Work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

8. *Clarifications and Interpretations; Field Orders.* Issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of Contractor's Work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. ENVIRONMENTAL CONSULTANT may issue Field Orders authorizing minor variations from the requirements of the Contract Documents.

9. *Change Orders and Work Change Directives.* Recommend Change Orders and Work Change Directives to PCCA, as appropriate, and prepare Change Orders and Work Change Directives as authorized by PCCA.

10. *Shop Drawings and Samples.* Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such review and approval or other action will not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto. ENVIRONMENTAL CONSULTANT has an obligation to meet any Contractor's submittal schedule that has earlier been acceptable to ENVIRONMENTAL CONSULTANT.

11. *Substitutes and "Or-Equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, subject to the provisions of paragraph A-2.02.B of this Exhibit A.

12. *Inspections and Tests.* Require such special inspections or tests of Contractor's Work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents. ENVIRONMENTAL CONSULTANT's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. ENVIRONMENTAL CONSULTANT is entitled to rely on the results of such tests.

13. *Disagreements between PCCA and Contractor.* If the Service Order provides, or is amended to provide, that ENVIRONMENTAL CONSULTANT will render a formal written decision on a particular disagreement, or on all claims of PCCA and Contractor relating to the acceptability of Contractor's Work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of Contractor's Work, then he will do so. In rendering such decision or decisions, ENVIRONMENTAL CONSULTANT will be fair and not show partiality to PCCA or Contractor and will not be liable in connection with any decision rendered in good faith in such capacity.

14. *Applications for Payment.* Based on ENVIRONMENTAL CONSULTANT's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

a. Determine the amounts that ENVIRONMENTAL CONSULTANT recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute ENVIRONMENTAL CONSULTANT's representation to PCCA, based on such observations and review, that, to the best of ENVIRONMENTAL CONSULTANT's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the quality of such Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled insofar as it is ENVIRONMENTAL CONSULTANT's responsibility to observe Contractor's Work. In the case of unit price Work, ENVIRONMENTAL CONSULTANT's recommendations of payment will include final determinations of quantities and classifications of Contractor's Work (subject to any subsequent adjustments allowed by the Contract Documents). The responsibilities of ENVIRONMENTAL CONSULTANT contained in paragraph A-1.05.A.5.a are expressly subject to the limitations set forth in paragraph A-1.05.A.5.b and other express or general limitations in this Agreement and elsewhere.

b. By recommending any payment, ENVIRONMENTAL CONSULTANT will not thereby be deemed to have represented that observations made by ENVIRONMENTAL CONSULTANT to check the performance or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to ENVIRONMENTAL CONSULTANT in this Agreement and the Contract Documents. Neither ENVIRONMENTAL CONSULTANT's review of Contractor's Work for the purpose of recommending payment nor ENVIRONMENTAL CONSULTANT's recommendation of any payment including final payment will impose on ENVIRONMENTAL CONSULTANT a responsibility to supervise, direct, or control Contractor's Work in progress or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose a responsibility on ENVIRONMENTAL CONSULTANT to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, or to determine that title to any portion of the Work in progress, materials, or equipment has passed to PCCA free and clear of any liens, claims, security interests, or encumbrances, or that there may not be other matters at issue between PCCA and Contractor that might affect the amount that should be paid.

15. *Contractor's Completion Documents.*

a. Receive and review maintenance and operating instructions, schedules, and guarantees.

b. Receive bonds, certificates, or other evidence of insurance not previously submitted and required by the Contract Documents; certificates of inspection, tests and approvals; Shop Drawings; Samples; and other data approved as provided under paragraph A-1.05.A.10; and the annotated record documents assembled by Contractor in accordance with the Contract Documents to obtain final payment. The extent of such ENVIRONMENTAL CONSULTANT's review will be limited as provided in paragraph A-1.05.A.9.

c. ENVIRONMENTAL CONSULTANT will transmit these documents to PCCA.

16. *Substantial Completion.* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with PCCA and Contractor, conduct an inspection to determine if the Work is Substantially Complete. If ENVIRONMENTAL CONSULTANT considers the Work Substantially Complete, ENVIRONMENTAL CONSULTANT will prepare a Notice of Substantial Completion and submit same to PCCA for its review and approval.

17. *Additional Tasks.* Perform or provide additional construction phase tasks or deliverables stated in the Service Order.

18. *Final Notice of Acceptability of the Work.* Conduct a final inspection to determine if the completed Work of Contractor is acceptable so that ENVIRONMENTAL CONSULTANT may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, ENVIRONMENTAL CONSULTANT will also provide a notice in the form attached hereto as Exhibit F, "Notice of Acceptability of Work," that the Work is acceptable (subject to the provisions of paragraph A-1.05.A.14.b) to the best of ENVIRONMENTAL CONSULTANT's knowledge, information, and belief and based on the extent of the Services provided by ENVIRONMENTAL CONSULTANT under this Agreement.

B. *Duration of Construction Phase.* The construction phase will commence with the execution of the first Construction Agreement for the Project or any part thereof and will terminate upon written recommendation by ENVIRONMENTAL CONSULTANT for final payment to Contractor. If the Project involves more than one prime contract as indicated in paragraph A-1.03.C, construction phase services may be rendered at different times in respect to the separate contracts.

C. *Limitation of Responsibilities.* ENVIRONMENTAL CONSULTANT is not responsible for the acts or omissions of any Contractor or of any of Contractor's subcontractors, suppliers, or of any other individual or entity performing or furnishing any portion of the Work. ENVIRONMENTAL CONSULTANT is not responsible for failure of any Contractor to perform or furnish the Work in accordance with the Contract Documents.

A-1.06 Post-Construction Phase

A. Upon written authorization from PCCA, ENVIRONMENTAL CONSULTANT, during the post-construction phase, will:

1. Provide assistance in connection with the testing and adjusting of Project equipment or systems.
2. Assist PCCA in training PCCA's staff to operate and maintain Project equipment and systems.
3. Assist PCCA in developing procedures for control of the operation and maintenance of and recordkeeping for Project equipment and systems.
4. Together with PCCA, visit the Project Site to observe any apparent defects in the Work, assist PCCA in consultations and discussions with Contractor concerning correction of any such defects, and make recommendations as to replacement or correction of Defective Work, if present.
5. Perform or provide additional post-construction phase tasks or deliverables stated in the Service Order.
6. In company with PCCA or PCCA's Representative, provide an inspection of the Project within one month before the end of the correction period to ascertain whether any portion of the Work is subject to correction.

B. Post-construction phase Services may commence during the construction phase and, if not otherwise modified in this Exhibit A, will terminate at the end of the correction period.

A-2.01 Additional Services Requiring PCCA's Authorization in Advance.

If authorized in the Service Order by PCCA, ENVIRONMENTAL CONSULTANT will furnish or obtain from others Additional Services of the types listed below. These services will be paid for by PCCA as indicated in Article 4 of the Agreement.

A. Preparation of applications and supporting documentation (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.

B. Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of Drawings or other information furnished by PCCA.

C. Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by ENVIRONMENTAL CONSULTANT or its design requirements including, but not limited to, changes in size, complexity, PCCA's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws or Regulations enacted subsequent to the Effective Date of this Agreement or are due to any other causes beyond ENVIRONMENTAL CONSULTANT's control.

D. Services resulting from PCCA's request to evaluate additional study and report phase alternative solutions beyond those identified in paragraph A-1.01.A.4.

E. Services required as a result of PCCA's providing incomplete or incorrect Project information with respect to Exhibit B.

F. Providing renderings or models for PCCA's use.

G. Undertaking investigations and studies including, but not limited to, detailed consideration of operations, maintenance, and overhead expenses; the preparation of feasibility studies, cash flow and economic evaluations, rate schedules, and appraisals; assistance in obtaining financing for the Project; evaluating processes available for licensing and assisting PCCA in obtaining process licensing; detailed quantity surveys of materials, equipment, and labor; and audits or inventories required in connection with construction performed by PCCA.

H. Furnishing Services of ENVIRONMENTAL CONSULTANT's Other Consultants for other than Basic Services, including such things as hiring an independent cost estimator at PCCA request.

I. Services attributable to more prime construction contracts than specified in paragraph A-1.03.C.

J. Services during out-of-town travel required of ENVIRONMENTAL CONSULTANT other than for visits to the Site or PCCA's office.

K. Preparing for, coordinating with, participating in, and responding to structured independent review processes including, but not limited to, construction management, cost estimating, project peer review, and constructability review requested by PCCA, and performing or furnishing Services required to revise studies, reports, Drawings, Specifications, or other Bid Documents as a result of such review processes.

L. Preparing additional Bid or Contract Documents for alternate bids or prices requested by PCCA for the Work or a portion thereof.

M. Assistance in connection with Bid protests, re-bidding or renegotiating contracts for construction, materials, equipment, or services.

N. Providing construction surveys and staking to enable Contractor to perform its work other than as required under paragraph A-1.05.A.5, and any type of property surveys or related consulting needed for the transfer of interests in real property; and providing other special field surveys.

O. Providing construction phase Services beyond the Contract Times set forth in Exhibit H.

P. Providing assistance in resolving any Hazardous Environmental Condition in compliance with current Laws and Regulations.

Q. Preparing and furnishing to PCCA Record Drawings showing appropriate record information based on Project annotated record documents received from Contractor.

R. Preparation of operation and maintenance manuals.

S. Preparing to serve or serving as a consultant or witness for PCCA in any litigation, arbitration, or other dispute resolution process related to the Project.

T. Providing more extensive Services required to enable ENVIRONMENTAL CONSULTANT to issue notices or certifications requested by PCCA under paragraph 6.01.G of the Agreement.

U. Other Services performed or furnished by ENVIRONMENTAL CONSULTANT not otherwise provided for in this Agreement.

A-2.02 Required Additional Services

ENVIRONMENTAL CONSULTANT will perform or furnish, without requesting or receiving specific advance authorization from PCCA, the Additional Services of the types listed below. ENVIRONMENTAL CONSULTANT will advise PCCA in writing promptly after starting any such Additional Services.

A. Services in connection with Work Change Directives and Change Orders to reflect changes requested by PCCA so as to make the compensation commensurate with the extent of the Additional Services rendered.

B. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than “or-equal” items and Services after the award of the Construction Agreement in evaluating and determining the acceptability of a substitution which is found to be inappropriate for the Project or an excessive number of substitutions.

C. ENVIRONMENTAL CONSULTANT agrees that, at the request of PCCA, the persons performing services in association with the attached Services Orders will be made available as witnesses in any litigation, hearing or proceeding to which PCCA is or may become a party, to explain or defend, as appropriate, any methods used by ENVIRONMENTAL CONSULTANT, or results or conclusions developed by Consultant, in connection with the Work. The fee or bill rate for these services shall be as set forth in the rate schedule attached as Exhibit C.

PCCA's Responsibilities

Article 2 of the Agreement is amended and supplemented to include the following agreement of the parties.

B-2.01 In addition to other responsibilities of PCCA as set forth in this Agreement, PCCA will:

A. Provide ENVIRONMENTAL CONSULTANT with criteria and information as to PCCA's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations; furnish copies of all design and construction standards that PCCA will require to be included in the Drawings and Specifications; and furnish copies of PCCA's standard forms, conditions, and related documents for ENVIRONMENTAL CONSULTANT to include in the Bid Documents, when applicable.

B. Furnish to ENVIRONMENTAL CONSULTANT any other available information known to be in PCCA's possession pertinent to the Project including reports and data relative to previous designs or investigations at the Site, and PCCA is able to retrieve such information from its records.

C. Following ENVIRONMENTAL CONSULTANT's assessment of initially available Project information and data and upon a reasonable request, furnish or otherwise make available such additional Project-related information and data as is reasonably required to enable ENVIRONMENTAL CONSULTANT to complete its Basic and Additional Services. Such additional information or data would generally include the following:

1. Property descriptions.
2. Zoning, deed, and other land-use restrictions.
3. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
4. Explorations and tests of subsurface conditions at the Site, drawings of physical conditions in or relating to existing surface or subsurface structures at the Site, or hydrographic surveys with appropriate professional interpretation thereof.
5. Environmental assessments, audits, investigations, impact statements, and other environmental or cultural studies relevant to the Project and the Site.
6. Data or consultations as required for the Project but not otherwise identified in the Agreement or the Exhibits thereto.

D. Give prompt written notice to ENVIRONMENTAL CONSULTANT whenever PCCA observes or otherwise becomes aware of any defect or nonconformance in ENVIRONMENTAL CONSULTANT's Services.

E. Authorize ENVIRONMENTAL CONSULTANT to provide Additional Services as set forth in Part 2 of Exhibit A of the Agreement as required.

F. Arrange for access to and make all provisions for ENVIRONMENTAL CONSULTANT to enter upon public and private property as required for ENVIRONMENTAL CONSULTANT to perform Services under the Agreement.

G. Examine all alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by ENVIRONMENTAL CONSULTANT (including obtaining advice of an attorney, insurance counselor, and other advisors or consultants as PCCA deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.

H. Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the Project designed or specified by ENVIRONMENTAL CONSULTANT and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the Project.

I. Provide, as required, for the Project:

1. Accounting, bond and financial advisory, independent cost estimating, and insurance counseling services.

2. Legal services with regard to issues pertaining to the Project as PCCA requires, Contractor raises, or ENVIRONMENTAL CONSULTANT reasonably requests including, but not limited to, the review of Contract Documents supplied by ENVIRONMENTAL CONSULTANT.

3. Such auditing services as PCCA requires to ascertain how or for what purpose Contractor has used the moneys paid.

4. Placement and payment for advertisement for Bids in appropriate publications.

J. Advise ENVIRONMENTAL CONSULTANT of the identity and scope of services of any independent consultants employed by PCCA to perform or furnish Services in regard to the Project including, but not limited to, cost estimating, project peer review, value engineering, and constructability review unless such Services are related to an issue under legal review.

K. Furnish to ENVIRONMENTAL CONSULTANT data as to PCCA's anticipated costs for Services to be provided by others for PCCA so that ENVIRONMENTAL CONSULTANT may make the necessary calculations to develop and periodically adjust ENVIRONMENTAL CONSULTANT's opinion of Total Project Costs.

L. ENVIRONMENTAL CONSULTANT will act as the PCCA Representative and Project Manager in accordance with the Agreement and the most current version of the PCCA Project Manual. However, David L. Krams, P.E., PCCA Director of Engineering Services, will, when Project circumstances or ENVIRONMENTAL CONSULTANT's Services require, have final authority over all decisions to be made by PCCA relative to the Project. If PCCA designates a construction manager or any individual or entity other than or in addition to ENVIRONMENTAL CONSULTANT to represent PCCA at the Site, the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of ENVIRONMENTAL CONSULTANT will be defined and set forth in the Service Order or an appendix to the Service Order.

M. If more than one prime contract is to be awarded for the Work designed or specified by ENVIRONMENTAL CONSULTANT, designate a person or entity to have authority and responsibility for coordinating the activities among the various prime Contractors, and define and set the duties, responsibilities, and authority of ENVIRONMENTAL CONSULTANT as an attachment to this Exhibit B that is to be mutually agreed upon and made a part of this Agreement before such Services begin.

N. Attend the pre-Bid conference, Bid opening, pre-construction conferences, construction progress and other Project-related meetings, and Substantial Completion and Final Acceptance inspections.

O. Provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of Samples, materials, and equipment required by the Contract Documents, or to evaluate the performance of materials, equipment, and facilities of PCCA prior to their incorporation into the Work with appropriate professional interpretation thereof:

1. That Contractor is complying with any Laws and Regulations applicable to Contractor's performing and furnishing the Work.

2. That Contractor is taking all necessary precautions for safety of persons or property and complying with any special provisions of the Contract Documents applicable to safety.

P. Provide ENVIRONMENTAL CONSULTANT with the findings and reports generated by the entities providing services pursuant to paragraphs B-2.01.O.

Q. Perform or provide Additional Services stated in the Service Order.

Payments to ENVIRONMENTAL CONSULTANT for Services and Reimbursable Expenses

Article 4 of the Agreement is amended and supplemented to include the following agreement of the parties:

ARTICLE 4 – PAYMENTS TO THE ENVIRONMENTAL CONSULTANT

C-4.01 Basic Services Having a Determined Scope – Standard Hourly Rates Method of Payment.

PCCA will pay ENVIRONMENTAL CONSULTANT for Basic Services set forth in Exhibit A as follows:

A. An amount equal to the cumulative hours charged to the Project by each class of ENVIRONMENTAL CONSULTANT's employees' times Standard Hourly Rates for each applicable billing class for all Services performed on the Project, plus Reimbursable Expenses and ENVIRONMENTAL CONSULTANT's Other Consultant's charges, if any.

B. ENVIRONMENTAL CONSULTANT's Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Exhibit C as Appendices 1 and 2.

C. The total compensation for Services under paragraph C-4.01 will be stated in each Service Order issued pursuant to this Agreement.

D. The total compensation for ENVIRONMENTAL CONSULTANT's Services incorporates all labor, overhead, profit, equipment, Reimbursable Expenses, and ENVIRONMENTAL CONSULTANT's Other Consultant's charges.

E. With approval of the PCCA's Director of Engineering Services, ENVIRONMENTAL CONSULTANT may alter the distribution of compensation between individual phases of the work noted herein to be consistent with Services actually rendered. ENVIRONMENTAL CONSULTANT will not exceed the total estimated compensation amount unless approved in writing by PCCA.

F. The Standard Hourly Rates method of payment is established for the primary term of this Agreement. Should the time to complete the Work be extended beyond this period without fault on the part of ENVIRONMENTAL CONSULTANT, the total compensation to ENVIRONMENTAL CONSULTANT will be appropriately adjusted.

C-4.02 Additional Services

PCCA will pay ENVIRONMENTAL CONSULTANT for Additional Services of ENVIRONMENTAL CONSULTANT's employees engaged directly on the Project, pursuant to paragraph A-2.01 of Exhibit A, an amount equal to the cumulative hours charged to the Project by each class of ENVIRONMENTAL CONSULTANT's employees times Standard Hourly Rates for each applicable billing class for all Additional Services performed on the Project plus Reimbursable Expenses and ENVIRONMENTAL CONSULTANT's Other Consultant's charges, if any.

C-4.03 Reimbursable Expenses

A. When included as a part of Basic Services (Exhibit A, Part 1) or Additional Services (Exhibit A, Part 2), PCCA will pay ENVIRONMENTAL CONSULTANT for Reimbursable Expenses at the rates set forth in Appendix 1 to this Exhibit C.

B. Reimbursable Expenses include the categories described in Appendix 1 to this Exhibit C and similar Project-related items in addition to those required under Exhibit A. In addition, if authorized in advance by PCCA, Reimbursable Expenses will also include expenses incurred for the use of highly specialized equipment.

C. The amounts payable to ENVIRONMENTAL CONSULTANT for Reimbursable Expenses will be the Project-related internal expenses actually incurred or allocated by ENVIRONMENTAL CONSULTANT. All invoiced external Reimbursable Expenses allocatable to the Project may be invoiced with a markup of 10% of actual cost to ENVIRONMENTAL CONSULTANT.

D. The Reimbursable Expenses Schedule is established for the primary term of this Agreement; provided, however, if the primary term of this Agreement is longer than one year, the Reimbursable Expenses Schedule may be adjusted annually to reflect equitable changes in the compensation payable to ENVIRONMENTAL CONSULTANT.

C-4.04 Standard Hourly Rates

The Standard Hourly Rates set forth in Appendix 2 to this Exhibit C are for salaries and wages paid to personnel in each billing class and the cost of customary and statutory benefits, general and administrative overhead, non-Project operating costs, and operating margin or profit.

C-4.05 Environmental Consultant's Other Consultant's Charges.

Whenever compensation to ENVIRONMENTAL CONSULTANT herein is stated to include charges of ENVIRONMENTAL CONSULTANT's Other Consultants, those charges will be the amounts billed by ENVIRONMENTAL CONSULTANT's Other Consultants to ENVIRONMENTAL CONSULTANT at actual cost to ENVIRONMENTAL CONSULTANT plus a markup of 5% . ENVIRONMENTAL CONSULTANT may use a markup of up to 10% if ENVIRONMENTAL CONSULTANT provides Professional Liability insurance that covers ENVIRONMENTAL CONSULTANT's Other Consultants in an amount approved by PCCA and can justify the additional markup.

C-4.06 Favored Rates

A. The execution of this Agreement by ENVIRONMENTAL CONSULTANT is a representation material to this Agreement that the hourly rates to be charged by ENVIRONMENTAL CONSULTANT set forth in this Exhibit C are equal to or less than the hourly rates charged by ENVIRONMENTAL CONSULTANT to public entities for the same or similar Services performed by ENVIRONMENTAL CONSULTANT within thirty (30) days prior to the effective date of this Agreement.

B. ENVIRONMENTAL CONSULTANT agrees that if, at any time after the effective date of the Agreement, ENVIRONMENTAL CONSULTANT agrees to charge or charges any other public entity in the Coastal Bend area or a Port Authority or Navigation District in the Texas Gulf Coast area an hourly rate or hourly rates for the same or similar Services performed by ENVIRONMENTAL CONSULTANT pursuant to this Agreement that is, or are, less than any of the Standard Hourly Rates set forth in Appendix 2 to this Exhibit C, then ENVIRONMENTAL CONSULTANT will, effective the date ENVIRONMENTAL CONSULTANT agrees to charge such lower rate or rates, adjust its hourly rate or rates being charged PCCA pursuant to the Agreement to such lower hourly rate or rates. ENVIRONMENTAL CONSULTANT's invoices for payment for Services will include an Application and Certification for Payment signed by ENVIRONMENTAL CONSULTANT and ENVIRONMENTAL CONSULTANT's Consultants that the rates charged PCCA by ENVIRONMENTAL CONSULTANT (which, as defined in this Agreement, includes ENVIRONMENTAL CONSULTANT's independent associates, Other Consultants, subcontractors, or vendors) are equal to or less than hourly rates charged public entities in the Coastal Bend area or a Port Authority or Navigation District in the Texas Gulf Coast area by ENVIRONMENTAL CONSULTANT for the same or similar Services provided by ENVIRONMENTAL CONSULTANT to PCCA. A sample Application and Certification for Payment form is attached to Master Agreement No. 10-16 as Appendix 3 to Exhibit C. If ENVIRONMENTAL CONSULTANT charges rates in excess of the rates agreed to be charged in this Agreement, then PCCA may recover from ENVIRONMENTAL CONSULTANT the excess charged and paid by PCCA to ENVIRONMENTAL CONSULTANT by deducting such excess from sums to be paid to ENVIRONMENTAL CONSULTANT by PCCA or by PCCA submitting an invoice to ENVIRONMENTAL CONSULTANT for the overcharges.

C-4.07 Other Provisions Concerning Payment

Revised 09/14

Exhibit C

Payments to ENVIRONMENTAL CONSULTANT for Services & Reimbursable Expenses

Master Agreement No. 10-16

A. Progress Payments. During the billing period, the portion of the amounts billed for ENVIRONMENTAL CONSULTANT's Services that are related to the Services identified in paragraphs C-4.01 and C-4.02, will be based on the cumulative hours charged to the Project by each class of ENVIRONMENTAL CONSULTANT's employees times the Standard Hourly Rate for each class plus Reimbursable Expenses and ENVIRONMENTAL CONSULTANT's Other Consultant's charges, if any.

B. Extended Contract Times. Should the Contract Times to complete the Services be extended beyond the period identified in the Service Order, payment for ENVIRONMENTAL CONSULTANT's Services will be continued based on the Standard Hourly Rates method of payment in the Service Order.

Reimbursable Expenses Schedule

This Schedule of Reimbursable Expenses is subject to review and may be adjusted pursuant to Exhibit C to this Agreement. The Reimbursable Expenses Schedule for Services performed on the effective date of the Agreement is:

Fax	\$ <u>1.25</u> /Page
Copies 8½" x 11"	\$ <u>.65</u> /Page
Copies of Drawings 24" x 36"	\$ <u>4.50</u> /Sheet
Copies of Drawings 11" x 17"	\$ <u>2.75</u> /Sheet
Mileage	\$ <u>0.60</u> /Mile
Confined Space Equipment	\$ <u>N/A</u> /Hour
CAD Charge	\$ <u>85.00</u> /Hour
Soil Gas Kit	\$ <u>N/A</u> /Hour
Laboratory	\$ <u>N/A</u> /Hour
Outside Consultants	At Cost + 5% * At Cost + 10% **
	* (If E&O Insurance Coverage is <u>not</u> provided) ** (If E&O Insurance Coverage <u>is</u> provided)
Long Distance Phone Calls	At Cost
Meals & Lodging	At Cost
Sampling Truck and Tools	\$ <u>260.00</u> /day in lieu of mileage
Soil Sampling Kit	\$ <u>15.00</u> /sample (ice, consumables, etc)
Water Sampling Kit	\$ <u>35.00</u> /sample (ice, consumables, tubing)
Equipment Rental	At Cost + 10%

Standard Hourly Rates Schedule

The Standard Hourly Rates Schedule is subject to review and may be adjusted pursuant to Exhibit C to the Agreement. The Standard Hourly Rates Schedule for Services performed on the effective date of the Agreement is:

<u>Title</u>	<u>Billing Rate</u>
Clerk	\$ <u>55.00</u> /Hour
Technical Assistant/Word Processor	\$ <u>\$65.00</u> /Hour
Technician	\$ <u>\$75.00</u> /Hour
Drafter/Illustrator	\$ <u>\$85.00</u> /Hour
Technical Editor	\$ <u>\$115.00</u> /Hour
Senior Drafter/Illustrator	\$ <u>\$95.00</u> /Hour
Senior Technician	\$ <u>\$90.00</u> /Hour
Lab/Field Supervisor	\$ <u>\$115.00</u> /Hour
Assistant Staff Professional	\$ <u>\$90.00</u> /Hour
Staff Professional	\$ <u>\$95.00</u> /Hour
Senior Staff Professional	\$ <u>\$115.00</u> /Hour
Assistant Project Professional	\$ <u>\$130.00</u> /Hour
Project Professional	\$ <u>\$135.00</u> /Hour
Senior Project Professional	\$ <u>\$140.00</u> /Hour
Consulting Professional	\$ <u>\$145.00</u> /Hour
Senior Consulting Professional	\$ <u>\$155.00</u> /Hour
Principal/Senior Principal	\$ <u>\$165.00</u> /Hour

Application and Certification for Payment

See attached sample Application and Certification for Payment.

APPLICATION AND CERTIFICATION FOR PAYMENT

To PCCA:

Port of Corpus Christi Authority
P. O. Box 1541
Corpus Christi, TX 78403

Project No.:
Project Title:

Master Agreement No.:
Service Order No.:
Application Date:

From ENVIRONMENTAL CONSULTANT:

ENVIRONMENTAL CONSULTANT’S APPLICATION FOR PAYMENT

Application is made for payment as shown below:

1.

Total Amount of Payment for this Service Order (If required)

\$
2.

Total Amount of Payment for this Application

\$
3.

Total Amount of Previous Payments for this Service Order

\$
4.

Total Amount of Payment for this Service Order To Date
(Item 2 + Item 3)

\$

ENVIRONMENTAL CONSULTANT hereby certifies that the rates charged on this invoice are equal to or less than rates charged to public entities in the Coastal Bend area or a Port Authority or Navigation District in the Texas Gulf Coast area by ENVIRONMENTAL CONSULTANT for the same or similar Services provided by ENVIRONMENTAL CONSULTANT to PCCA. If ENVIRONMENTAL CONSULTANT charges rates less than rates charged to public entities in the Coastal Bend area or a Port Authority or Navigation District in the Texas Gulf Coast area as agreed to in this Agreement, then PCCA may recover from ENVIRONMENTAL CONSULTANT the excess charged and paid by PCCA to ENVIRONMENTAL CONSULTANT by deducting such excess from sums to be paid to ENVIRONMENTAL CONSULTANT by PCCA or by PCCA submitting an invoice to ENVIRONMENTAL CONSULTANT for the overcharges.

By:

Name:

Title:

State of Texas

§

County of Nueces

§

Sworn to and subscribed before me on the ____ day of _____ 20__.

(Seal)

ENVIRONMENTAL CONSULTANT’S CERTIFICATION FOR PAYMENT

Notary Public, State of Texas

**“Duties, Responsibilities, and Limitations of Authority
Of Resident Project Representative”**

Paragraph 6.02 of the Agreement is amended and supplemented to include the following agreement of the parties:

D-6.02 Resident Project Representative

A. ENVIRONMENTAL CONSULTANT may, with prior written consent of PCCA, furnish a Resident Project Representative (“RPR”), assistants, and other field staff to assist ENVIRONMENTAL CONSULTANT in observing progress and performance of the Work. ENVIRONMENTAL CONSULTANT’s RPR, assistants, and other field staff may provide full-time representation or representation to a lesser degree.

B. Through such additional observations of Contractor’s Work in progress and field checks of materials and equipment by the RPR and assistants, ENVIRONMENTAL CONSULTANT will endeavor to provide further protection for PCCA against defects and deficiencies in the Work. However, ENVIRONMENTAL CONSULTANT or his PRP will not, during such visits or as a result of such observations of Contractor’s Work in progress, supervise, direct, or have control over the Contractor’s Work nor will ENVIRONMENTAL CONSULTANT or his PRP have authority over or responsibility for the means, methods, techniques, sequences, or procedures selected by Contractor to comply with Laws and Regulations applicable to Contractor’s performing and furnishing the Work or responsibility for Contractor’s failure to furnish and perform the Work in accordance with the Contract Documents. In addition, the specific limitations set forth in Section A-1.05 of Exhibit A of the Agreement are applicable.

C. The duties and responsibilities of the RPR are limited to those of ENVIRONMENTAL CONSULTANT in the Agreement with PCCA and in the Contract Documents, and are further limited and described as follows:

1. *General.* RPR is ENVIRONMENTAL CONSULTANT’s agent at the Site, will act as directed by and under the supervision of ENVIRONMENTAL CONSULTANT, and will confer with ENVIRONMENTAL CONSULTANT regarding RPR’s actions. RPR’s dealings in matters pertaining to the Contractor’s Work in progress will, in general, be with ENVIRONMENTAL CONSULTANT and Contractor, keeping PCCA advised as necessary. RPR’s dealings with Contractor’s subcontractors will only be through or with the full knowledge and approval of Contractor. RPR will generally communicate with PCCA with the knowledge of and under the direction of ENVIRONMENTAL CONSULTANT.

2. *Schedules.* Review the progress schedule, schedule of Shop Drawing and Sample submittals, and schedule of values prepared by Contractor and consult with ENVIRONMENTAL CONSULTANT concerning acceptability.

3. *Conferences and Meetings.* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings, and prepare and circulate copies of minutes thereof.

4. *Liaison.*

a. Serve as ENVIRONMENTAL CONSULTANT’s liaison with Contractor, working principally through Contractor’s superintendent, and assist in understanding the intent of the Contract Documents.

b. Assist ENVIRONMENTAL CONSULTANT in serving as PCCA’s liaison with Contractor when Contractor’s operations affect PCCA’s on-site operations.

- c. Assist in obtaining from PCCA additional details or information, when required, for proper execution of the Work.
- 5. *Interpretation of Contract Documents.* Report to ENVIRONMENTAL CONSULTANT when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by ENVIRONMENTAL CONSULTANT.
- 6. *Shop Drawings and Samples.*
 - a. Record time of receipt of Samples and approved Shop Drawings.
 - b. Receive Samples that are furnished at the Site by Contractor and notify CONSULTANT of availability of Samples for examination.
 - c. Advise ENVIRONMENTAL CONSULTANT and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal for which RPR believes that the submittal has not been approved by ENVIRONMENTAL CONSULTANT.
- 7. *Modifications.* Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report with RPR's recommendations to ENVIRONMENTAL CONSULTANT. Transmit to Contractor in writing decisions as issued by ENVIRONMENTAL CONSULTANT.
- 8. *Review of Work and Rejection of Defective Work.*
 - a. Conduct on-site observations of Contractor's Work in progress to assist ENVIRONMENTAL CONSULTANT in determining if the Work is, in general, proceeding in accordance with the Contract Documents.
 - b. Report to ENVIRONMENTAL CONSULTANT whenever RPR believes that any part of Contractor's Work in progress will not produce a completed Project that conforms generally to the Contract Documents or will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test, or approval required to be made; and advise ENVIRONMENTAL CONSULTANT of that part of the Work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection, or approval.
- 9. *Inspections, Tests, and System Startups.*
 - a. Consult with ENVIRONMENTAL CONSULTANT in advance of scheduled major inspections, tests, and system startups of important phases of the Work.
 - b. Confirm that tests, equipment, systems startups, and operating and maintenance training are conducted in the presence of appropriate PCCA personnel and that Contractor maintains adequate records thereof.
 - c. Observe, record, and report to ENVIRONMENTAL CONSULTANT appropriate details relative to the test procedures and systems startups.
 - d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections, and report to ENVIRONMENTAL CONSULTANT.

10. *Records.*

a. Maintain at the Site orderly files for correspondence, reports of job conferences, reproductions of original Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Contract, ENVIRONMENTAL CONSULTANT's clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing and Sample submittals received from and delivered to Contractor, and other Project-related documents.

b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site; weather conditions; data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions; Site visitors; daily activities; decisions; observations in general; and specific observations in more detail as in the case of observing test procedures; send copies to ENVIRONMENTAL CONSULTANT.

c. Record names, addresses, and telephone numbers of all Contractors, their subcontractors, and major suppliers of materials and equipment.

d. Maintain complete records for use in preparing Project documentation including chain of custodies.

e. Upon completion of the Work, furnish original set of all RPR Project documentation to ENVIRONMENTAL CONSULTANT.

11. *Reports.*

a. Furnish to ENVIRONMENTAL CONSULTANT periodic reports of the Work as required by the Project and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.

b. Draft and recommend to ENVIRONMENTAL CONSULTANT proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.

c. Furnish to ENVIRONMENTAL CONSULTANT and PCCA copies of all inspection, test, and system startup reports.

d. Report immediately to ENVIRONMENTAL CONSULTANT the occurrence of any accidents at the Site, any Hazardous Environmental Conditions, emergencies, acts of God endangering the Work, and property damaged by fire or other causes.

12. *Payment Requests.* Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to ENVIRONMENTAL CONSULTANT, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered to the Site but not incorporated into the Work.

13. *Certificates; Operation and Maintenance Manuals.* During the course of the Work, confirm that materials and equipment certifications, operations and maintenance manuals, and other data required by the Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to ENVIRONMENTAL CONSULTANT for review and forwarding to PCCA prior to payment for that part of the Work.

14. Completion:

a. Before ENVIRONMENTAL CONSULTANT issues a Notice of Substantial Completion for review and approval by PCCA, submit to Contractor a list of observed items requiring completion or correction.

b. Observe whether Contractor has arranged for inspections required by Laws and Regulations including, but not limited to, those to be performed by public agencies having jurisdiction over the Work.

c. Participate in a final inspection in the company of ENVIRONMENTAL CONSULTANT, PCCA, and Contractor and prepare a final list of items to be completed or corrected.

d. Observe whether all items on final list have been completed or corrected and make recommendations to ENVIRONMENTAL CONSULTANT concerning acceptance and issuance of the Notice of Acceptability of the Work.

D. Resident Project Representative will not:

1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).

2. Exceed limitations of ENVIRONMENTAL CONSULTANT's authority as set forth in the Agreement or the Contract Documents.

3. Undertake any of the responsibilities of Contractor, subcontractors, suppliers, or Contractor's superintendent.

4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences, or procedures of Contractor's Work unless such advice or direction are specifically required by the Contract Documents.

5. Advise on, issue directions regarding, or assume control over safety precautions and programs in connection with the activities or operations of PCCA or Contractor.

6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by ENVIRONMENTAL CONSULTANT.

7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.

8. Authorize PCCA to occupy the Project in whole or in part.

**“Duties, Responsibilities, and Limitations of Authority
Of Resident Project Representative on Abatement Projects”**

Paragraph 6.02 of the Agreement is amended and supplemented to include the following agreement of the parties:

E-6.02 Resident Project Representative on Abatement Projects

A. ENVIRONMENTAL CONSULTANT will furnish a Resident Project Representative (“RPR”), assistants, and other field staff to assist ENVIRONMENTAL CONSULTANT in observing progress and performance of the Work. ENVIRONMENTAL CONSULTANT’s RPR, assistants, and other field staff may provide full-time representation or representation to a lesser degree as is determined appropriate by ENVIRONMENTAL CONSULTANT as is required by law for project management during abatement contracts.

B. Through such additional observations of Contractor’s Work in progress and field checks of materials and equipment by the RPR and assistants, ENVIRONMENTAL CONSULTANT will endeavor to provide further protection for PCCA against defects and deficiencies in the Work. However, ENVIRONMENTAL CONSULTANT will, during such visits or as a result of such observations of Contractor’s Work in progress, supervise, direct, or have control over the Contractor’s Work and ENVIRONMENTAL CONSULTANT will have authority over or responsibility for the means, methods, techniques, sequences, or procedures selected by Contractor to comply with Laws and Regulations applicable to Contractor’s performing and furnishing the Work or responsibility for Contractor’s failure to furnish and perform the Work in accordance with the Contract Documents.

C. The duties and responsibilities of the RPR are limited to those of ENVIRONMENTAL CONSULTANT in the Agreement with PCCA and in the Contract Documents, and are further limited and described as follows:

1. *General.* RPR is ENVIRONMENTAL CONSULTANT’s agent at the Site, will act as directed by and under the supervision of ENVIRONMENTAL CONSULTANT, and will confer with ENVIRONMENTAL CONSULTANT regarding RPR’s actions. RPR’s dealings in matters pertaining to the Contractor’s Work in progress will, in general, be with ENVIRONMENTAL CONSULTANT and Contractor, keeping PCCA advised as necessary. RPR’s dealings with subcontractors will only be through or with the full knowledge and approval of Contractor. RPR will generally communicate with PCCA with the knowledge of and under the direction of ENVIRONMENTAL CONSULTANT.

2. *Schedules.* Review the progress schedule, schedule of Shop Drawing and Sample submittals, and schedule of values prepared by Contractor and consult with ENVIRONMENTAL CONSULTANT concerning acceptability.

3. *Conferences and Meetings.* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings, and prepare and circulate copies of minutes thereof.

4. *Certify Training.* Review training certificates for Contractor and Contractor’s employees and subcontractors and their employees, and verify appropriate training received in accordance with applicable rules and regulations.

5. *Liaison.*

a. Serve as ENVIRONMENTAL CONSULTANT’s liaison with Contractor, working principally through Contractor’s superintendent, and assist in understanding the intent of the Contract Documents.

- b. Assist ENVIRONMENTAL CONSULTANT in serving as PCCA's liaison with Contractor when Contractor's operations affect PCCA's on-site operations.
 - c. Assist in obtaining from PCCA additional details or information, when required, for proper execution of the Work.
- 6. *Interpretation of Contract Documents.* Report to ENVIRONMENTAL CONSULTANT when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by ENVIRONMENTAL CONSULTANT.
- 7. *Review of Plans and Methodology.* Review abatement and/or removal plans and methodologies provided by Contractor for conformance to applicable standards. Review Hazardous Waste Management Plan provided by Contractor and monitor for compliance with applicable rules and regulations.
- 8. *Shop Drawings and Samples.*
 - a. Record time of receipt of Samples and approved Shop Drawings.
 - b. Receive Samples that are furnished at the Site by Contractor and notify CONSULTANT of availability of Samples for examination.
 - c. Advise ENVIRONMENTAL CONSULTANT and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal for which RPR believes that the submittal has not been approved by ENVIRONMENTAL CONSULTANT.
- 9. *Modifications.* Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report with RPR's recommendations to ENVIRONMENTAL CONSULTANT. Transmit to Contractor in writing decisions as issued by ENVIRONMENTAL CONSULTANT.
- 10. *Review of Work and Rejection of Defective Work.*
 - a. Conduct on-site observations of Contractor's Work in progress to assist ENVIRONMENTAL CONSULTANT in determining if the Work is, in general, proceeding in accordance with the Contract Documents.
 - b. Report to ENVIRONMENTAL CONSULTANT whenever RPR believes that any part of Contractor's Work in progress will not produce a completed Project that conforms generally to the Contract Documents or will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test, or approval required to be made; and advise ENVIRONMENTAL CONSULTANT of that part of the Work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection, or approval.
 - c. Report to ENVIRONMENTAL CONSULTANT and Contractor when sampling results exceed permissible standards and verify Contractor takes immediate and appropriate measures to correct the situation.
- 11. *Inspections, Tests, and System Startups.*

- a. Consult with ENVIRONMENTAL CONSULTANT in advance of scheduled major inspections, tests, and system startups of important phases of the Work.
- b. Confirm that tests, equipment, systems startups, and operating and maintenance training are conducted in the presence of appropriate PCCA personnel and that Contractor maintains adequate records thereof.
- c. Observe, record, and report to ENVIRONMENTAL CONSULTANT appropriate details relative to the test procedures and systems startups.
- d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections, and report to ENVIRONMENTAL CONSULTANT.

12. *Records.*

- a. Maintain at the Site orderly files for correspondence, reports of job conferences, reproductions of original Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Contract, ENVIRONMENTAL CONSULTANT's clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing and Sample submittals received from and delivered to Contractor, and other Project-related documents.
- b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site; weather conditions; data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions; Site visitors; daily activities; decisions; observations in general; and specific observations in more detail as in the case of observing test procedures; send copies to ENVIRONMENTAL CONSULTANT.
- c. Record names, addresses, and telephone numbers of all Contractors, subcontractors, and major suppliers of materials and equipment.
- d. Maintain complete records for use in preparing Project documentation including chain of custodies.
- e. Upon completion of the Work, furnish original set of all RPR Project documentation to ENVIRONMENTAL CONSULTANT.

13. *Reports.*

- a. Furnish to ENVIRONMENTAL CONSULTANT periodic reports of the Work as required by the Project and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- b. Draft and recommend to ENVIRONMENTAL CONSULTANT proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.
- c. Furnish to ENVIRONMENTAL CONSULTANT and PCCA copies of all inspection, test, and system startup reports.
- d. Report immediately to ENVIRONMENTAL CONSULTANT the occurrence of any accidents at the Site, any Hazardous Environmental Conditions, emergencies, acts of God endangering the Work, and property damaged by fire or other causes.

14. *Payment Requests.* Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to ENVIRONMENTAL CONSULTANT, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered to the Site but not incorporated into the Work.

15. *Certificates; Operation and Maintenance Manuals.* During the course of the Work, confirm that materials and equipment certifications, operations and maintenance manuals, and other data required by the Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to ENVIRONMENTAL CONSULTANT for review and forwarding to PCCA prior to payment for that part of the Work.

16. *Completion:*

a. Before ENVIRONMENTAL CONSULTANT issues a Notice of Substantial Completion for review and approval by PCCA, submit to Contractor a list of observed items requiring completion or correction.

b. Observe whether Contractor has arranged for inspections required by Laws and Regulations including, but not limited to, those to be performed by public agencies having jurisdiction over the Work.

c. Participate in a final inspection in the company of ENVIRONMENTAL CONSULTANT, PCCA, and Contractor and prepare a final list of items to be completed or corrected.

d. Observe whether all items on final list have been completed or corrected and make recommendations to ENVIRONMENTAL CONSULTANT concerning acceptance and issuance of the Notice of Acceptability of the Work.

D. Resident Project Representative will not:

1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).

2. Exceed limitations of ENVIRONMENTAL CONSULTANT's authority as set forth in the Agreement or the Contract Documents.

3. Undertake any of the responsibilities of Contractor, subcontractors, suppliers, or Contractor's superintendent.

4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences, or procedures of Contractor's Work unless such advice or direction are specifically required by the Contract Documents.

5. Advise on, issue directions regarding, or assume control over safety precautions and programs in connection with the activities or operations of PCCA or Contractor.

6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by ENVIRONMENTAL CONSULTANT.

7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.

8. Authorize PCCA to occupy the Project in whole or in part.

Notice of Acceptability of Work

PROJECT TITLE:

PCCA PROJECT NUMBER:

MASTER AGREEMENT NO.:

SERVICE ORDER NO.:

DATE OF CONSTRUCTION AGREEMENT:

ENVIRONMENTAL CONSULTANT:

To: PCCA

And To: PLATINUM ENVIRONMENTAL SOLUTIONS, LLC

The undersigned (ENVIRONMENTAL CONSULTANT) hereby gives notice to the above PCCA and Contractor that the completed Work furnished and performed by Contractor under the above Contract is acceptable, expressly subject to the provisions of the related Contract Documents, and the terms and conditions set forth on the reverse side hereof. ENVIRONMENTAL CONSULTANT further recommends PCCA issue a Notice of Final Acceptance to the Contractor.

Company:_____

By:_____

Name:_____

Title:_____

Date:_____

(See Reverse Side of Notice)

CONDITIONS OF NOTICE OF ACCEPTABILITY OF WORK

The Notice of Acceptability of Work (“Notice”) on the front side of this sheet is expressly made subject to the following terms and conditions to which all persons who receive said notice and rely thereon agree:

1. Said Notice is given with the skill and care ordinarily used by members of the consulting profession practicing under similar conditions at the same time and in the same locality.
2. Said Notice reflects and is an expression of the professional judgment of ENVIRONMENTAL CONSULTANT.
3. Said Notice is given as to the best of ENVIRONMENTAL CONSULTANT’s knowledge, information, and belief as of the date hereof.
4. Said Notice is based entirely on and expressly limited by the Scope of Services ENVIRONMENTAL CONSULTANT has been employed by PCCA to perform or furnish during construction of the Project (including observation of the Contractor’s Work) under ENVIRONMENTAL CONSULTANT’s Agreement with PCCA and under the Construction Contract referenced on the reverse hereof, and applies only to facts that are within ENVIRONMENTAL CONSULTANT’s knowledge or could reasonably have been ascertained by ENVIRONMENTAL CONSULTANT as a result of carrying out the responsibilities specifically assigned to ENVIRONMENTAL CONSULTANT under ENVIRONMENTAL CONSULTANT’s Agreement with PCCA and the Construction Contract referenced on the reverse hereof.
5. Said Notice affirms Contractor’s performance under the Construction Contract referenced on the reverse hereof but is not an assumption of responsibility for any failure of Contractor to furnish and perform the Work thereunder in accordance with the Contract Documents.
6. Said Notice affirms that the design of the Project complies with all City of Corpus Christi building codes regardless of whether or not the Project is located within the city limits of the City of Corpus Christi.

Insurance

Paragraph 6.05 of the Agreement is amended and supplemented to include the following agreement of the parties. A Certificate of Insurance must be issued upon issuance of each Service Order.

G-6.05 Insurance

The limits of liability for the insurance required by paragraph 6.05 of the Agreement are as follows:

<u>Type of Insurance</u>	<u>Limits of Liability</u>
A. Workers' Compensation	Statutory
B. Employer's Liability	\$1,000,000
C. Commercial General Liability	\$1,000,000 (<i>Any One Occurrence</i>) \$2,000,000 (<i>Aggregate</i>)

Such policy will provide evidence of contractual liability at the aforementioned limits. The Aggregate limit is per Project. The coverage will cover Products and Completed Operations.

D. Business Automobile Liability	\$1,000,000 (<i>CSL, Each Accident</i>)
----------------------------------	---

Automobile liability coverage will include all owned, non-owned, and hired vehicles.

E. Professional Liability Insurance (E&O)	\$2,000,000
---	-------------

Consultant will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Contract caused by any error, omission, or act for which the Consultant is legally liable. Policies written on a claims-made basis shall have an extended reporting period of at least two (2) years beyond termination of the Contract.

F. Umbrella Liability	\$5,000,000
-----------------------	-------------

Umbrella liability coverage will apply to Employer's Liability, Commercial General Liability, and Business Automobile Liability.

G. Contractor's Pollution Legal Liability	\$5,000,000
---	-------------

PCCA Certificate of Insurance

An executed copy of the Certificate(s) of Insurance must be provided to PCCA for each Service Order which certificate(s) must be approved by, and on file with, the Texas Insurance Commission, and must be reasonably acceptable in their content, to PCCA.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/25/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER JBL Insurance Services, LLC P.O. Box 79444 Houston TX 77279-9444	CONTACT NAME: John Lake PHONE (A/C, No, Ext): (800) 944-4070 FAX (A/C, No): (888) 580-2210 E-MAIL ADDRESS: jblins@comcast.net														
INSURED Platinum Environmental Solutions, LLC 5534 Birdwell Houston TX 77096	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A : Nautilus Insurance Company</td> <td></td> </tr> <tr> <td>INSURER B : Texas Mutual Insurance</td> <td></td> </tr> <tr> <td>INSURER C : Progressive Insurance</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Nautilus Insurance Company		INSURER B : Texas Mutual Insurance		INSURER C : Progressive Insurance		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER C : Progressive Insurance															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	X	X	ECP2017911-10	4/05/2016	4/05/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
C	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X	X	BAP3768426-01	5/25/2016	5/25/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	X	X	CUL461387	5/25/2016	5/25/2017	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y	N/A	TSF000018542	5/25/2016	5/25/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Contractor's Pollution Liability Professional Liability			ECP2017911-10 ECP2017911-10	4/05/2016 4/05/2016	4/05/2017 4/05/2017	\$5,000,000 Limit \$2,000,000 Per Claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

PCCA is included as Additional Insured as respects Automobile Liability and General Liability

Coverage is primary and non-contributory with regard to any insurance carried by PCCA

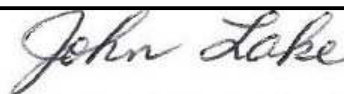
Waive of Subrogation applies in favor of PCCA as respects Workers Compensation, Automobile Liability, and General Liability

CERTIFICATE HOLDER**CANCELLATION**

PCCA
222 Power St.
Corpus Christi, TX 78401

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



<JL>

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Service Order Form

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
SERVICE ORDER NO. *(Insert Service Order number)*
MASTER AGREEMENT NO. *(Insert Master Agreement number)*
PROJECT NO. *(Insert Project number)***

Pursuant to PCCA Master Agreement No. *(Insert Master Agreement number)* between Port of Corpus Christi Authority of Nueces County, Texas ("PCCA") and *(Insert name of ENVIRONMENTAL CONSULTANT)* ("ENVIRONMENTAL CONSULTANT"), ENVIRONMENTAL CONSULTANT will provide the Basic and Additional Services set forth in Exhibit A of Master Agreement No. *(Insert Master Agreement number)* in accordance with any additions or deletions to the same or any Services different from those described in the said Exhibit A, in this Service Order. This Service Order modifies or amends PCCA Master Agreement No. *(Insert Master Agreement number)*, the provisions of which not specifically amended by this Service Order will remain in effect.

Description of Project:

(Insert a brief paragraph that includes the Project number and title, a description of the Project, and list the amount specific to this Service Order. A more detailed description of the Project may be included if desired as Appendix I, attached hereto and included herein by reference for all purposes.)

Project Contact for PCCA:

Project Contact
For ENVIRONMENTAL CONSULTANT:

Project Manager: *(Insert name of Project Manager)*

Project Manger: *(Insert name of Project Manager)*

Phone Number: *(Insert Project Manager's phone number)*

Phone Number: *(Insert Project Manager's phone number)*

Scope of Services:

(Insert a detailed description of the Services to be performed.)

1. Study/Report Phase.
2. Preliminary Design Phase.
3. Final Design Phase.

Service Schedule:

(If deadlines are required, describe them here.)

Deliverables:

(Insert numbered list of deliverables to be provided by ENVIRONMENTAL CONSULTANT.)

Project Team:

The Project Team to be used on this project will include the following:

(List names and titles of individuals that will work on this Project.)

Subcontractors to be used on this project will include the following:

(List names and addresses of all Other Consultants and subcontractors ENVIRONMENTAL CONSULTANT will employ on this Project.)

Compensation:

In accordance with Article 4 of Master Agreement No. *(Insert Master Agreement number)* and negotiations between the parties, ENVIRONMENTAL CONSULTANT will be compensated pursuant to this Service Order as follows:

Report & Study Phase	\$ _____
Preliminary Design Phase	\$ _____
Final Design Phase	\$ _____

Total Compensation for Services per Exhibit C-4.01 not to exceed \$ _____

Contingency (*PCCA Approval Required*) \$ _____

Reimbursement:

The following applies to expenses reimbursed under this Service Order:

Invoices: ENVIRONMENTAL CONSULTANT will submit invoices to PCCA *(Insert whether monthly, upon completion of each task, or other payment schedule)* in accordance with the fee schedule set forth in this Agreement. Requests for payment must be supported by documentation such as invoices, receipts, statements, stubs, tickets, time sheets, and any other documentation that, in the reasonable judgment of PCCA, provides complete substantiation of Reimbursable Expenses incurred by ENVIRONMENTAL CONSULTANT. All deliverables and reimbursement documents submitted to PCCA must prominently display PCCA Master Agreement No. *(Insert Master Agreement number)*, Service Order No. *(Insert Service Order number)*.

Funding Agency: *(Insert name of outside funding agency, if any)*

Termination or Interpretation of Services:

PCCA reserves the right to halt or defer all or any portion of the Services included in the Scope of Services for this Service Order at any time during the performance period. If the Services are halted or deferred, the parties agree that the schedule and budget may require renegotiation.

Amendments to Service Order:

Material changes to this Service Order may be made only by written agreement of the parties to the Agreement. All provisions of PCCA Master Agreement No. *(Insert Master Agreement number)* not specifically amended by this Service Order will remain in force and effect.

Material Changes to Master Agreement:

All provisions of PCCA Master Agreement No. *(Insert Master Agreement number)* are in full force and effect except for the following changes:

(Insert changes if applicable, if no changes end sentence and remove language "except for the following changes")

Effective on the date executed by the last party to this Service Order.

Port of Corpus Christi Authority of Nueces County, Texas

By: _____

Name: Sarah L. Garza

Title: Director of Environmental Planning and Compliance

Date of Execution: _____

“PCCA”

(Insert name of ENVIRONMENTAL CONSULTANT)

By: _____

Name: _____

Title: _____

Date of Execution: _____

“ENVIRONMENTAL CONSULTANT”

**SERVICE ORDER NO. 1
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
MASTER AGREEMENT NO. 10-16
PROJECT NO. 14002B**

Pursuant to PCCA Master Agreement No. 10-16 between Port of Corpus Christi Authority of Nueces County, Texas ("PCCA") and Platinum Environmental Solutions, LLC ("ENVIRONMENTAL CONSULTANT"), ENVIRONMENTAL CONSULTANT will provide the Basic and Additional Services set forth in Exhibit A of Master Agreement No. 10-16 in accordance with any additions or deletions to the same or any Services different from those described in the said Exhibit A, in this Service Order. This Service Order modifies or amends PCCA Master Agreement No. 10-16, the provisions of which not specifically amended by this Service Order will remain in effect.

Description of Project:

During the pipeline relocation activities on the PCCA La Quinta property, completed in accordance with the negotiated lease agreement by the tenant, voestalpine Texas holding, LLC, hydrocarbon contamination was discovered in soil and groundwater above TCEQ protective concentration limits. Efforts to delineate horizontal and vertical extent of soil contamination and to determine impacts to groundwater were completed in 2014, and summarized in a report. In 2015 additional sampling of the existing monitoring wells was conducted to support a groundwater classification report. Also completed in 2015 was a drinking water survey report to document groundwater use in the surrounding area and submitted to the Texas Commission on Environmental Quality (TCEQ). An evaluation of all collected data and preparation of an Affected Property Assessment Report in accordance with the Texas Risk Reduction Program under the Texas Commission on Environmental Quality is necessary to evaluate any risk to human health and the environmental resulting from the impacted soil and groundwater.

Project Contact for PCCA:

Project Contact for ENVIRONMENTAL CONSULTANT:

Project Manager: James Haley

Project Manager: Peter C. Berveiler, P.E., PMP

Phone Number: (361) 885-6606

Phone Number: (281) 890-6140

Scope of Services:

1. Study/Report Phase.

In accordance with Section A-1.01 of Exhibit A of the Master Agreement, ENVIRONMENTAL CONSULTANT will provide the following services:

Task 1: Data Validation and Data Review – ENVIRONMENTAL CONSULTANT will review all laboratory analytical data in accordance with the Texas Commission on Environmental Quality (TCEQ) Regulatory Guidance RG-366/TRRP-13, Review and Reporting of Chemicals of Concern Concentration Data under the Texas Risk Reduction Program. ENVIRONMENTAL CONSULTANT will perform a Data Usability Summary (DUS) on analytical data needed to support an Affected Property Assessment Report (APAR), Task 2, of this Service Order. The DUS will be submitted as an appendix to the APAR.

ENVIRONMENTAL CONSULTANT will review all existing mapping data, sample collection and reporting data, and data associated with the PCCA provided reports for completeness, applicability and usability in development of the APAR.

Task 2: Affected Property Assessment Report – ENVIRONMENTAL CONSULTANT, in accordance with 30 TAC 350 will generate draft and final versions of an APAR for review by the

PCCA and submit the final report to the TCEQ for review and approval. In support of the APAR, the ENVIRONMENTAL CONSULTANT will:

- Conduct up to two site visits for reconnaissance and for completion of the Tier 1 Ecological Exclusion Criteria Checklist and a receptor survey;
- Perform a walking field survey within ¼ mile of the site to identify potential receptors (to include potential receptors other than water wells (e.g. schools, nursing homes, etc.), exposure pathways, points of exposure, and immediate and long-term risk hazards to actual or reasonably anticipated receptors;
- Summarize findings of the previous environmental reports as related to the APAR, including delineation of contaminant source area(s);
- Summarize the maximum concentrations and the 95% confidence interval of contaminant concentrations for chemicals of concern for the affected media and source areas (i.e., soil, groundwater, vapors);
- Identify site conditions which affect or limit contaminant movement;
- Select the appropriate beneficial use category for the site (residential, nonresidential);
- Describe the nature of the contaminants involved, including mobility, fate and likely form (e.g., ionic state of metal) present;
- Determine soil/air exposure pathways and obtain reasonable default values for soil types and porosity values;
- Determine the leaching potential of unsaturated soils above the water bearing unit;
- Evaluate dermal, inhalation, ingestion, or other potential exposure pathways if depth to contamination is less than 15 feet or if pathways to actual or reasonably anticipated future points of exposure warrant exposure considerations;
- Calculate site specific Critical Protective Concentration Levels that are needed to prevent exceedance of individual contaminant and combined contaminant risk limits at current and reasonably anticipated future points of exposure.

2. Preliminary Design Phase.

In accordance with Section A-1.02 of Exhibit A of the Master Agreement, ENVIRONMENTAL CONSULTANT will provide the following services:

None

3. Final Design Phase.

With concurrence from PCCA on the preliminary design and in accordance with the Basic Services in Section A-1.03, A-1.04, and A-1.05 of Exhibit A of the Master Agreement, ENVIRONMENTAL CONSULTANT will provide the following services:

None

Service Schedule:

Description of Task	Completion Date
Data Validation and Data Review	August 17, 2016
Draft APAR	September 15, 2016
Final APAR	October 12, 2016

Deliverables:

1. Draft Affected Property Assessment Report in electronic format (Word).
2. Final Affected Property Assessment Report in electronic format (PDF) in one complete file with all attachments.
3. Correspondence to TCEQ upon submittal in electronic format (PDF).

Project Team:

The Project team to be used on this project will include the following:

Peter C. Berveiler, P.E., PMP, Senior Consulting Principal

Subcontractors to be used on this project will include the following:

Terrain Solutions, Inc.
10103 Fondren Road, Suite 426
Houston, Texas 77096

Compensation:

In accordance with Article 4 of Master Agreement No. 10-16 and negotiations between the parties, ENVIRONMENTAL CONSULTANT will be compensated pursuant to this Service Order as follows:

Report & Study Phase	\$ <u>30,870</u>
Preliminary Design Phase	\$ <u>0</u>
Final Design Phase	\$ <u>0</u>

Total Compensation for Services per Exhibit C-4.01 not to exceed \$ 30,870

Contingency (*PCCA Approval Required*) \$ _____

Reimbursement:

The following applies to expenses reimbursed under this Service Order:

Invoices: ENVIRONMENTAL CONSULTANT will submit invoices to PCCA monthly in accordance with the fee schedule set forth in this Agreement. Requests for payment must be supported by documentation such as invoices, receipts, statements, stubs, tickets, time sheets, and any other documentation that, in the reasonable judgment of PCCA, provides complete substantiation of Reimbursable Expenses incurred by ENVIRONMENTAL CONSULTANT. All deliverables and reimbursement documents submitted to PCCA must prominently display PCCA Master Agreement No. 10-16, Service Order No. 1.

Termination or Interpretation of Services:

PCCA reserves the right to halt or defer all or any portion of the Services included in the Scope of Services for this Service Order at any time during the performance period. If the Services are halted or deferred, the parties agree that the schedule and budget may require renegotiation.

Amendments to Service Order:

Material changes to this Service Order may be made only by written agreement of the parties to the Agreement. All provisions of PCCA Master Agreement No. 10-16 not specifically amended by this Service Order will remain in force and effect.

Material Changes to Master Agreement:

All provisions of PCCA Master Agreement No. 10-16 are in full force and effect.

Effective on the date executed by the last party to this Service Order.

Port of Corpus Christi Authority of Nueces County, Texas

By: _____


Name: Sarah L. Garza

Title: Director of Environmental Planning & Compliance

Date of Execution: _____

"PCCA"

Platinum Environmental Solutions, LLC

By: 

Name: Peter C. Berveiler, P.E.

Title: Principal Engineer

Date of Execution: 06/22/2016

"ENVIRONMENTAL CONSULTANT"

DATE: July 11, 2016
TO: Port Commission
FROM: Sandra Terrell-Davis
sandra@pocca.com
361 885-6177

AGENDA ITEM NO. 13.c

**Approve Funds in an Amount Not to Exceed \$50,000.00 for
Port-wide Temporary Staffing Needs, Including the
Hillcrest Voluntary Real Estate Acquisition and Relocation Program**

SUMMARY: Staff is seeking Commission approval for additional funds for Temporary Employment Services in an estimated amount not to exceed \$50,000. These funds will allow for the continued use of onsite temporary employees until the formal selection process for Temporary Employee Services (RFP) is complete.

BACKGROUND: Staff was authorized by the Commission on May 17, 2016 to issue a Request for Proposal (RFP) for Temporary Employment Services in the estimated annual amount of \$210,000.00. Staff has advertised the RFP and began the selection process on July 14, 2016. During the period of January 1, 2016, through June 30, 2016, an estimated \$40,428.61 has been expended for onsite temporary employment services. Staff is requesting authorization to issue a purchase order in an amount not to exceed \$50,000 to be utilized for current onsite temporary employment services. This request for additional funds will allow for continued onsite temporary employment services until the selection process is complete and a recommendation made by staff to the Commission for approval of a temporary services agency contract(s). Currently the PCCA has the following temporary employees:

- (1) Administrative Assistant for Chief Commercial Officer
- (1) A/P Clerk in Accounting
- (1) Electronic Records Clerk in Accounting
- (1) Environmental Assistant
- (1) Hillcrest Real Estate Specialist

The costs for these temporary employees are approximately \$5,500 per week.

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of additional funds for temporary employment services in an estimated amount not to exceed \$50,000.

DEPARTMENTAL CLEARANCES:

Originating Department	Human Resources
Reviewed & Approved	Sandra Terrell-Davis
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS: None

DATE: July 19, 2016
TO: Port Commission
FROM: Darrin Aldrich;
darrin@pocca.com
(361) 885-6169

AGENDA ITEM NO. 13.d

**Approve Easement Agreement with Martin Operating Partnership, L.P.
for a 24-inch Pipeline from Their Oil Dock 15 Lease Site to
Their 10-Acre Terminal Facility Lease Site**

SUMMARY: Martin Operating Partnership, L.P. (Martin) currently owns and operates a 24 inch pipeline extending from their 10-acre terminal site situated on the north side of the Joe Fulton Corridor and connecting to the PCCA Public Oil Docks 1 and 2. Over the past several months Staff has been working with representatives of Martin on the routing of an extension of the existing pipeline commencing at a location near the intersection of the Joe Fulton Corridor and Texaco Road and running westerly to connect to the recently approved Oil Dock 15 lease site as depicted on the attached exhibit. The attached pipeline easement is substantially the same form and content as the existing Easement Agreement authorizing the installation of the original 24-inch pipeline and is drafted using the PCCA standard from agreement with a relocation provision and other PCCA standard easement terms and conditions. The Easement for the pipeline extension will be granted for a 30-year term and fee adjusted on a 10 year basis, payable in advance. The fee for the first 10 year period will be determined by the selected final route and calculated at \$122.85 per rod. For each succeeding 10 year period during the term of the easement, the fee will be subject to an adjustment based on the PCCA's current fee schedule at the time of adjustment.

BACKGROUND: On May 17, 2016, the Commission approved a lease agreement with Martin for exclusive use of 4.44 acres of unimproved upland and submerged land for the exclusive operation and maintenance of Oil Dock 15. Per the terms of the lease agreement, PCCA is required to grant Martin the necessary pipeline easements for transporting product between Oil Dock 15 and Martin's terminal facility no later than ninety (90) days after the effective date of the lease agreement, August 31, 2016.

ALTERNATIVES: PCCA and Martin are exploring several alternate pipeline routes from the terminal facility to Oil Dock 15 and will collectively determine the final route that is the most advantageous for both parties. Route options 1-4 are indicated in the attached map.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: The fee for the first 10 year period will be determined by the selected route and calculated at \$122.85 per rod. For each succeeding 10 year period during the term of the easement, the fee will be subject to an adjustment based on the PCCA's current fee schedule at the time of adjustment.

STAFF RECOMMENDATION: Staff recommends approval of an Easement Agreement with Martin Operating Partnership, L.P., for a 24-inch Pipeline from Martin's Oil Dock 15 Lease Site to Martin's 10-Acre Terminal Facility Lease Site

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate Services
Reviewed & Approved	Darrin Aldrich
	Sam Esquivel
	David Krams, P.E.
	Donna James-Spruce
	Sarah Garza
Legal	Bruce Hawn
Senior Staff	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Map
Easement Summary
Easement

Martin Operating Partnership, L.P. AGENDA ITEM NO. 13d

Approve an Easement Agreement with Martin Operating Partnership, L.P. For a 24" Pipeline From Martin's Oil Dock 15 Lease Site to Martin's Terminal Facility Lease Site



Legend

Valve Site	Pipeline
Option 1	Option 1
Option 2	Option 2
Option 3	Option 3
Option 4	Option 4

Generated by
Port of Corpus Christi
Real Estate Department

Martin Midstream
24 Inch Pipeline



Not to Scale
State Plane NAD 1983
South Zone FIPS 4205

Martin Operating Partnership, L.P. AGENDA ITEM NO. 13d

Approve an Easement Agreement with Martin Operating Partnership, L.P. For a 24" Pipeline From Martin's Oil Dock 15 Lease Site to Martin's Terminal Facility Lease Site



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Base HERE, DeLorme, Mapbox, © OpenStreetMap contributors

Legend	
Valve Site	Pipeline
■ Option 1	— Option 1
■ Option 2	— Option 2
■ Option 3	— Option 3
■ Option 4	— Option 4

Generated by
Port of Corpus Christi
Real Estate Department

Martin Midstream
24 Inch Pipeline



Not to Scale
State Plane NAD 1983
South Zone FIPS 4205

**PORT OF CORPUS CHRISTI AUTHORITY
EASEMENT SUMMARY**

Grantee: Martin Operating Partnership L.P.
4200 Stone Road
Kilgore, Texas 75662

Easement Location: As depicted in the attached map.

Use: For the purpose of constructing, laying, operating, maintaining, repairing, replacing and removing one (1) – 24-inch oil and condensate pipeline for transporting product to and from Martin’s Oil Dock 15 lease site and their 10-acre terminal facility lease site.

Term: Thirty (30) years

Options: None

Start Date: August 1, 2016 – July 31, 2046

Fee: The fee for the first 10 year period will be determined by the selected final route and calculated at \$122.85 per rod.

Adjustment of Fee: During each succeeding ten (10) year period during the term of this easement, the ten year fee will be as set by the Port Commissioners of the Authority based upon Authority’s then current schedule for the fee for pipelines of the said pipeline diameter.

Remarks: The Pipeline Easement shall, during the period of initial construction of the said Pipeline, be twelve and one half (12.5) feet on either side of the centerline of the Pipeline Easement as described and depicted on Exhibits A and B, respectively; following the period of initial construction of the Pipeline, the width of the Pipeline Easement shall be one (1) foot on either side of the centerline of the Pipeline Easement described and depicted on Exhibits A and B. The period of initial construction of the Pipeline will terminate sixty (60) days after Grantee actually completes construction, or one year from the date hereof, whichever occurs first. In the event construction is not commenced within one year from the date hereof, this Agreement and the Pipeline Easement will terminate, unless the period for commencement of construction is extended beyond one year by Authority.

PIPELINE EASEMENT

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS THAT:**
COUNTY OF NUECES §

Port of Corpus Christi Authority of Nueces County, Texas, acting herein by and through its Port Commissioners hereunto duly authorized (hereinafter called "Authority") for good and valuable consideration as described below, and including the covenants and conditions herein made and provided to be kept and performed by Grantee, has **GRANTED AND CONVEYED** and by these presents does **GRANT AND CONVEY** to **MARTIN OPERATING PARTNERSHIP L.P.**, a Delaware limited partnership, whose principal address is 4200 Stone Road, Kilgore, Texas 75662 (hereinafter called "Grantee"), a right-of-way and easement (the "Pipeline Easement") on and through the Authority's land located in Nueces County, Texas, for the purpose of constructing, laying, operating, maintaining, repairing, replacing and removing one (1) oil and condensate pipeline for the uses herein set out upon, over and across the Pipeline Easement hereby granted, together with the valves, fittings, meters and other equipment and appurtenances as are expressly allowed by this Pipeline Easement Agreement. "Pipeline" as used in this Agreement means one or more oil and condensate pipelines which are described herein by number and size which will be placed in the Pipeline Easement. The centerline of the Pipeline Easement is described on Exhibit A attached hereto, which is incorporated herein by reference for all purposes, and the route of the Pipeline Easement is depicted on Exhibit B attached hereto, which is incorporated herein by reference for all purposes. The Pipeline Easement shall, during the period of initial construction of the said Pipeline, be twelve and one half (12.5) feet on either side of the centerline of the Pipeline Easement as described and depicted on Exhibits A and B, respectively; following the period of initial construction of the Pipeline, the width of the Pipeline Easement shall be one (1) foot on either side of the centerline of the Pipeline Easement described and depicted on Exhibits A and B. The period of initial construction of the Pipeline will terminate sixty (60) days after Grantee actually completes construction, or one year from the date hereof, whichever occurs first. In the event construction is not commenced within one year from the date hereof, this Agreement and the Pipeline Easement will terminate, unless the period for commencement of construction is extended beyond one year by Authority.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, the rights and privileges hereby conveyed for thirty (30) years beginning on the 1st day of August, 2016, and ending at midnight on the 31st day of July, 2046, subject to the exceptions and reservations herein set forth, and upon the following covenants and conditions which are a part of the consideration for this grant, which covenants and conditions are and shall be construed as covenants running with the land, and which covenants and conditions by its acceptance hereof Grantee covenants and agrees to keep and perform.

This Pipeline Easement is granted subject to the following:

A. Number and Size of Pipelines and Appurtenances. The Pipeline shall not exceed the following number of pipelines and a nominal inside diameter as follows: Number of pipelines one (1); Nominal inside diameter: twenty-four inches (24"). No above or below ground appurtenances are allowed except for the following: one _____x_____ scraper trap and valve site (the "Trap & Valve Site"), one fiber optic line and associated three inch (3") diameter conduit (the "Fiber Optic Line"), corrosion test stations, and pipeline markers (collectively the "Appurtenances"). The Trap & Valve Site and corrosion test stations shall be placed at the locations depicted on Exhibit "B". Corrosion test stations to be located next to roads, ditches, fence lines, and at other out of the way locations with the prior written approval of Authority. The Fiber Optic Line may only be used for the operation of the Pipeline or the operation of Grantee's pipeline system and facilities.

B. Fee. For the first ten (10) years of the term of this Agreement, Grantee will pay to the Authority a fee in the amount _____and ____/100 Dollars (\$_____). During each succeeding ten (10) year period during the term of this easement, the annual fee will be as set by the Port Commissioners of the Authority based upon Authority's then current schedule for the fee for pipelines of the said pipeline diameter. Grantee may prepay all annual installments due for each ten (10) year period at the beginning of each such period.

C. Access. The rights of ingress and egress hereinabove referred to in Grantee shall be confined to the above-described easement and Grantee shall not have the right to cross Authority's adjacent land, store materials or equipment on Authority's adjacent land, or conduct any of Grantee's operations on Authority's adjacent land, unless the prior consent of the Authority is obtained in writing, which consent will not be unreasonably withheld, conditioned or delayed. Except in the case of an emergency, Grantee agrees to notify the Authority not less than seventy-two (72) hours prior to Grantee's employees, agents or contractors entering upon the easement for construction, maintenance, repairs or other operations. In the case of an emergency, necessitating entry upon the easement by Grantee, its employees, agents or contractors without first giving at least seventy-two (72) hours prior notice to Authority, Grantee agrees to notify the Authority of the nature and extent of any such emergency within twenty-four (24) hours after any such entry.

D. Construction, Maintenance and Use. Grantee shall construct and maintain the Pipeline in a good and workmanlike manner and in compliance with all applicable governmental and industry standards for construction and maintenance of the same. Warning signs for the existence of the Pipeline that conform to Federal and State laws applicable to such warning signs will be posted at the required locations along the Pipeline Easement.

Grantee must submit to Authority plans and design specifications (the "Plans") for the construction of the Pipeline, and associated Appurtenances, (above or below ground) and for any other improvements of any kind to be constructed within the boundaries of the Pipeline Easement, and they must be approved in writing by the Director of Engineering Services of Authority prior to the commencement of construction of the same. To facilitate the Authority's review, two (2) sets of formal Plans that clearly define the project must be submitted to Authority for its prior approval. The drawings must be prepared on a standard engineering format and show all physical features and improvements proposed to be installed within the boundaries of the Pipeline Easement and must be signed and sealed by a Professional Engineer registered in the State of Texas. Any approval,

comments or denial of such Plans by the Authority shall be promptly made to Lessee within thirty (30) Days after Authority's receipt of the Plans. Further, Authority shall prepare detailed comments or responses to the Plans in order to direct Grantee on the action needed to have the Plans revised and approved. The final Plans as ultimately approved by the Authority are referred to herein as the "**Approved Plans**".

No approval by Authority of Grantee's designs, site plans, plans, specifications or other matters may ever be construed as representing or implying that Grantee's designs, site plans, plans, specifications or other matters will, if followed, result in a properly-designed Pipeline and Appurtenances or result in properly designed improvements of any kind being constructed within the Pipeline Easement. Such approvals shall in no event be construed as a representation or guaranty by the Authority that Grantee's Pipeline and Appurtenances or any other improvements will be built in a workmanlike manner, nor shall such approvals relieve Grantee of its obligation to construct Grantee's Pipeline, Appurtenances and other improvements in a workmanlike manner. **Grantee will defend, indemnify, and hold harmless Authority from and against any third party lawsuits, actions, causes of action or claims arising out of Authority's approval of any of Grantee's designs, plans, specifications or other matters relating to the Pipeline, its Appurtenances or the Pipeline Easement.**

No boring pit or receiving pit may be placed in the Pipeline Easement. All backfill placed in the Pipeline Easement must be compacted so as to prevent settlement or erosion. Grantee shall bury the Pipeline to a safe depth or install at a safe height, as is or may be reasonably required as a result of the presence on, or construction on, or adjacent to, the areas within the Pipeline Easement of any road, railroad, pipeline, or pole line. In refilling any hole or ditch; Grantee must compact the subsoil to ninety-five percent (95%) of original compaction. After any construction, repair or removal, Grantee shall compact, loosen, or otherwise condition the topsoil to the degree of compaction of non-disturbed topsoil so that there will be no settling or compaction of soil and so that the land disturbed will be the same level as the surrounding lands which will maintain drainage previous to such work and prevent erosion.

Grantee will immediately, notify the appropriate State and Federal agencies who regulate pipelines of the type in the Pipeline Easement, and no later than twenty-four (24) hours after discovery, notify Authority, of any visible or apparent contamination discovered in the Pipeline Easement during initial construction of the Pipeline.

During the installation and during any reconstruction or replacement of the Pipeline the Authority shall be entitled to engage the services of an inspector which shall be selected by the Authority, subject to the approval by Grantee in writing of such inspector and of the wage rates to be charged by such inspector (which such approval shall not be unreasonably withheld, conditioned or delayed), to observe the operations of the Grantee and to ensure the Pipeline is installed, reconstructed and replaced in a workmanlike manner and at the proper location and depth as required herein. The Authority shall be responsible for the payment of all reasonable wages and expenses charged by the inspector, however, Grantee shall reimburse the Authority for all such reasonable wages and expenses incurred by the Authority in connection with the inspector's wages and expenses regarding the construction of the Pipeline. Upon completion of the construction of the Pipeline,

Authority will invoice Grantee for all the inspector's wages and expenses and shall include with such invoice evidence of all amounts charged by and paid to the inspector for services rendered in connection with the operations of Grantee. Grantee agrees to pay all undisputed amounts contained in Authority's invoice within thirty (30) days after Grantee receives the said invoice.

Following completion of construction of the Pipeline, Grantee will immediately, notify the appropriate State and Federal agencies who regulate pipelines of the type in the Pipeline Easement, and no later than twenty-four (24) hours after discovery, notify Authority, of any visible or apparent contamination discovered in, on, under, or adjacent to the Pipeline Easement.

If, during, or after, completion of construction of the Pipeline, the contamination is coming from the Pipeline, then Grantee will immediately take all steps necessary to shut down the pipeline or pipelines in the Pipeline Easement from which the contamination is coming, repair or replace the pipeline or pipelines, and restore the Pipeline Easement to the condition it was in prior to the discovery of the contamination. If the contamination is not coming from a pipeline or pipelines in the Pipeline Easement, then Grantee and Authority shall cooperate to determine the source of the contamination and advise the appropriate State and Federal agencies of the occurrence.

Grantee's use of the Pipeline Easement herein granted and its operations in relation to it will at all times comply with all applicable laws, statutes, rules and regulations of federal, state and local government.

Grantee shall furnish Authority, upon completion of the installation of each pipeline in the Pipeline Easement, or any modification thereof, an as-built drawing of the location of the Pipeline and any modification.

Grantee shall be responsible for coordination of its construction and use in the Pipeline Easement with any other existing users and easement holders in or near the Pipeline Easement. Grantee shall promptly restore any portion of the right-of-way damaged by Grantee to its condition prior to such damage. All restoration work shall be appropriately tested at Grantee's expense. Authority shall be promptly notified in writing of the method used and results of all tests of any such restoration work.

E. Reservations and Exceptions. The easement herein granted shall be subject to any and all easements heretofore granted by Authority to other parties which is either of record in Nueces County or physically evident on the property. The Authority reserves the right to grant easements upon, over, under and across its property at any point within the Pipeline Easement, and to grant rights of use, leases and easements above, below and on the surface of the Pipeline Easement, provided that such grants shall not materially interfere with the rights granted herein.

F. Indemnity/Waiver.

(a) **As used in this Section F. each of the following terms shall have the meanings set forth in this Section F.(a):**

(1) **“Beneficiary”** means the intended recipient of the benefits of another party’s Indemnity, Waiver or obligation to Defend.

(2) **“Claims”** means all claims, damages (including actual, consequential, and punitive), losses, fines, penalties, liens, causes of action, suits, judgments, settlements and expenses [including court costs, attorney’s fees (including attorney’s fees in defending and/or settling a Claim and attorney’s fees to collect on this Indemnity), costs of investigation, and expert witnesses) of any nature, kind or description by, through or of any person or entity, including property loss or damage in, on, about or adjacent to the Pipeline Easement and right of way herein granted, bodily or personal injury, sickness, disease, and/or death (including bodily or personal injury and/or death of employees of an Indemnified Person or a Grantee Party).

(3) **“Defend”** means to oppose on behalf of another party a Claim in litigation, arbitration, mediation or other alternative dispute resolution proceeding and to pay all costs associated with the preparation or prosecution of such Defense.

(4) **“Indemnify”** means to protect and hold harmless a party from and against a potential Claim and/or to compensate a party for a Claim actually incurred.

(5) **“Indemnified Persons”** means the Authority, its Port Commissioners, directors, managers, employees and agents.

(6) **“Grantee Parties”** means the Grantee, its agents, contractors, employees, owners, invitees, or licensees.

(7) **“Waive”** means to knowingly and voluntarily relinquish a right and/or to release another party from liability.

(b) Subject to the terms of this Section F, Grantee shall Defend and Indemnify the Indemnified Persons from and against all Claims resulting from, arising out of, or alleged to have arisen out of or resulted from, in whole or in part, any of the following matters (these Claims being referred to herein as the “Indemnified Claims”):

(1) The conduct of Grantee’s business on the easement and right of way herein granted;

(2) Grantee’s breach of the terms and conditions of this Agreement; and

(3) any act, omission, willful misconduct, strict liability, breach of warranty, express or implied, or violation of any laws, ordinances, rules, regulations, or codes, now or hereafter existing and applicable to Grantee and its operations under this Agreement, of or by any Grantee Party, including the sole, joint, concurrent, or comparative negligence of any Grantee Party in connection with or pertaining to this Agreement.

(c) Subject to the terms of subparagraph (d) below, the Indemnities, Waivers and obligation to Defend in this Section F. shall be enforced to the fullest extent permitted by applicable law for the benefit of the applicable Beneficiary thereof, regardless of any extraordinary shifting of risks, and even if the applicable Claim is caused by the joint, concurrent, or comparative negligence of such Beneficiary, and regardless of whether liability without fault or strict liability is imposed upon or alleged against such Beneficiary; provided, however, that an Indemnity will not be enforced to the extent that a court of competent jurisdiction holds in a final judgment that the applicable Claim against a Beneficiary was caused by the willful misconduct or sole negligence of such Beneficiary.

(d) Notwithstanding anything to the contrary contained in this Section F., to the extent an Indemnified Claim arises out of the joint, concurrent, or comparative negligence, causation, responsibility or fault of the Indemnified Persons and the Grantee Parties, then the Grantee's obligation to the Indemnified Persons shall only extend to the percentage of the total responsibility of the Grantee Parties in contributing to such Indemnified Claim.

(e) In claims against any Indemnified Person by or for an employee of a Grantee Party, the Grantee's indemnification obligation under this Section F. shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Grantee Party under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. If an action for damages is brought by an injured employee of Grantee, a legal beneficiary, or an insurance carrier against an Indemnified Person liable to pay damages for the injury or death of such employee under Chapter 417 (Third-Party Liability), Texas Labor Code, that results in a judgment against the Indemnified Person or a settlement by the Indemnified Person, Grantee expressly agrees to reimburse and hold harmless the Indemnified Person for the damages based on such judgment or settlement as provided in this Section F.

(f) Except as otherwise expressly limited in this Section F., it is the intent of the parties to this Agreement that all indemnity obligations and liabilities contracted for in this Agreement be without monetary limit and without regard to the cause or causes thereof (including pre-existing conditions on Authority's Property or as the result of an indemnification agreement with a third party), and will not be limited by damages paid under the Workers' Compensation Act. The indemnity contained in this Section F. applies, without limitation, to any violation by a Grantee Party of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), 42 U.S.C. Section 9601 et seq; the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Section 6901 et seq; the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101 et seq; the Clean Air Act and Amendments of 1990, 41 U.S.C. Section 7401 et seq; the Clean Water Act of 1977, 33 U.S.C. Section 1251 et seq; the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 et seq; the Toxic Substances Control Act, 15 U.S.C. Section 2606 the Texas Water Code; the Texas Solid Waste Disposal Act, Chapter 361, Texas Health and Safety Code; the Texas Clean Air Act, Chapter 382, Texas Health and Safety Code; the Oil Spill Prevention Act of 1991, Chapter 40, Texas Natural Resource Code, and Chapter 26, Texas Water Code; and the Texas Water Quality Act, Chapter 26, Texas Water Code; Authority's Tariffs, Rules and Regulations, and

the Port of Corpus Christi Authority's Design and Construction Guidelines set forth in Authority's Real Estate Manual (collectively, "Environmental Laws, Rules and Regulations") in effect during the term of this Agreement and to the extent applicable to Grantee and its operations hereunder., and any and all matters arising out of any act, omission, event or circumstance existing or occurring during the term of this Agreement, regardless of whether the act, omission, event or circumstance constituted a violation of any of the Environmental Laws, Rules and Regulations at the time of its existence or occurrence.

(g) If any action or proceeding is brought against an Indemnified Person by reason of any Indemnified Claim described in this Section F., the Indemnified Person will be represented by its general counsel, or another attorney selected by the Indemnified Person and approved by Grantee, which approval will not be unreasonably withheld.

(h) If Grantee should fail or refuse, after prior written notice to Grantee that an Indemnified Person intends to make a settlement of an Indemnified Claim, to participate in the settlement of such Indemnified Claim, then the Indemnified Person may settle with the claimant without prejudice to the Indemnified Person's indemnity rights set forth herein, and a settlement after such notice to Grantee will constitute a settlement of the proportionate fault, including but not limited to negligence, of both Grantee and the Indemnified Person, which settlement may later be apportioned between Indemnified Person and Grantee.

(i) Grantee agrees to support its obligations to Indemnify and Defend the Indemnified Persons by the purchase of insurance, including contractually assumed liability coverage.

(j) To the fullest extent provided by this Section F., Grantee hereby Waives all Claims against the Indemnified Persons resulting from, arising out of, or alleged to have arisen out of or resulted from, in whole or in part, any of the Indemnified Claims.

G. Insurance

Without limiting the indemnity obligations or liabilities of Grantee, or its insurers, provided herein, Grantee agrees at all times this Agreement is in effect to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

(a) For all its employees engaged in performing work, workers' compensation required by the Texas Workers' Compensation Code, and Employer's Liability insurance with limits of at least \$500,000.00 each employee accident and disease, or such similar insurance which is in accordance with state and federal law applicable to said employees.

(b). Commercial General Liability (CGL) coverage with policy limits of at least \$1,000,000.00 per occurrence and \$2,000,000 general aggregate in the right of way and easement.

(c) Business Auto Liability coverage for all owned and non-owned vehicles, with a policy limit of \$1,000,000 (Combined Single Limit.)

(d) Umbrella liability coverage limits of not less than \$5,000,000.00 over and above the underlying primary coverage limits stated in subparagraph (a), (b) and (c) in this Section.

(e) Pollution Legal Liability, including Time Element Pollution coverage and cleanup and defense costs for premises and operations, including pollution of any body of water, with limits of not less than Five Million and 00/100 Dollars (\$5,000,000.00) per occurrence.

The minimum insurance protection amounts set forth in the Policies shall be increased from time to time upon request by Authority to an amount which is commercially reasonable at the time.

Authority shall be furnished, to the attention of Authority's Risk Manager, prior to the commencement of any work by Grantee on the Pipeline Easement, as proof of the insurance required of Grantee a certificate or certificates of insurance (and the endorsements required in this paragraph shall be attached to the certificate or certificates of the insurance) describing the Policies, which certificates must be acceptable, in their form and content, to Authority. Each of the Policies will be endorsed to (a) (except for Workers' Compensation and Employee's Liability insurance) name Authority, its Port Commissioners, officers, officials, employees and agents as an additional insured (b) provide that it will not be suspended, voided, canceled or reduced in coverage or limits without thirty (30) days' prior written notice to Authority, Attention: Director of Operations, and (c) provide that notwithstanding any language in any policy of insurance held by Authority ("Authority Insurance") to the effect that the Authority Insurance is primary, the policy or policies held by Grantee are primary coverage and the Authority Insurance is non-contributory so that Authority Insurance will not share with the Policies.

In addition the Policies shall be endorsed to provide as follows (or an ISO form endorsement containing the equivalent wording may be used): "Underwriters or the company or companies issuing this policy agree that, if the named insured is required, by written contract, to name any other person, firm or organization as an additional insured on this policy for claims arising out of acts, or the failure to act, by the named insured, then such other person, firm or organization shall automatically be deemed to be an additional insured under this policy without any further action, but only to the extent required under said written contract." Grantee shall deliver to Authority certificates of insurance at least thirty (30) days prior to the expiration date of each of the Policies. The deductible or self-insured retention for each of the Policies must be stated in the certificate of insurance provided to Authority if either exceeds \$50,000.00; and, in such event, Authority may decline to approve this Agreement. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least A: VI. If Grantee neglects or refuses to provide any insurance required herein, or if any insurance is canceled, Authority may procure such insurance at Grantee's expense, and Authority is entitled to reimbursement from Grantee for all amounts spent to procure and maintain the insurance, with interest on such expense at a rate of 10% annually from the date Grantee receives Authority's notice of payment until reimbursement.

H. Waiver of Subrogation

Grantee agrees that all insurance policies required herein shall include full Waivers of Subrogation in favor of Authority. Grantee agrees to immediately give to each insurance company which has issued to it policies of insurance applicable to provisions of this Agreement written notice of the terms of the waiver set forth in this Section, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver; and Grantee will provide to Authority a copy of said endorsement or endorsements or evidence that such endorsement is not necessary to prevent the invalidation of the insurance coverage by reason of such waiver.

I. Assignment. The rights herein granted may not be assigned without the prior written consent of the Authority, which consent will not be unreasonably withheld, conditioned or delayed; provided, however, Authority consents to assignment of this Agreement to any corporation or other entity which is an affiliate of, and controlled by, Grantee. An affiliate, as used herein, is a person or entity which is controlled by or the controlling interest of which is owned by the same persons or entities controlling Grantee. This Pipeline Easement shall be deemed a covenant running with the land and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Assignment by Grantee shall not relieve Grantee from liability for the performance of the covenants and indemnities hereof.

J. Termination. This Agreement and all rights to use and occupy the Pipeline Easement shall terminate if the pipeline(s) shall cease to be used for the transmission of oil and condensate, collectively, out of any forty-eight (48) month period during the term of this Pipeline Easement or if Grantee shall at any time expressly abandon this Pipeline Easement for the use of the same for the purposes herein granted. This Pipeline Easement and all of Grantee's interest hereunder, at the option of Authority, shall forthwith terminate upon breach by Grantee of any of the conditions hereof and the failure of Grantee to remedy the same within ninety (90) days after Grantee's receipt of written notice from the Authority so to do. Grantee agrees it will within ninety (90) days after the termination of this Pipeline Easement remove the Pipelines and all other equipment, facilities or appurtenances existing in the Pipeline Easement and restore the land in the Pipeline Easement to substantially the same condition in which same existed prior to the existence of the Pipeline, equipment, facilities and appurtenances. In the event Grantee fails to remove the said Pipeline, equipment, facilities and appurtenances within the above-described time period, Authority may either declare the termination of Grantee's interest in the Pipeline, equipment, facilities and appurtenances and all of Grantee's interest therein shall thereupon terminate, or the Authority may cause the Pipeline, equipment, facilities and appurtenances, or any part thereof, to be removed and disposed of, and the lands of the Authority restored, all at the cost of Grantee. In the event of a breach of the requirements of Section L ("Compliance with Authority Security Requirements"), this easement and all of Grantee's interest hereunder, at the option of Authority, shall forthwith terminate in the event Grantee fails to remedy the same within ten (10) days after Grantee's receipt of written notice from the Authority of such breach.

K. Relocation. The Authority may require Grantee to remove, lower or relocate the Pipeline, equipment, facilities and appurtenances situated in the aforesaid Pipeline Easement in the event the same materially interferes with or will materially interfere with: (1) the development of Authority's lands; (2) any facility, facility modification, or proposed facility of Authority, Authority Lessee or

Authority Franchisee; (3) any road or proposed road; or (4) any operation or proposed operation of Authority, Authority Lessee or Authority Franchisee; The Authority may also require Grantee to remove, lower or relocate the Pipeline, equipment, facilities and appurtenances situated in the aforesaid Pipeline Easement in the event the same materially interferes with or will materially interfere with any railroad or proposed railroad under which the Pipeline passes. In the event Authority requires Grantee to remove, lower or relocate pursuant to the provisions of this paragraph, the cost of such removal, lowering or relocation shall be paid solely by Grantee; and in such event, Authority will use its best efforts to provide Grantee with an alternate Pipeline Easement on Authority's land at no additional cost to Grantee; provided, however, Authority shall not be required to provide the alternate easement.

L. Compliance with Authority Security Requirements. Grantee, its employees, agents, representatives and subcontractors shall at all times comply with all Authority mandated security requirements and regulations pertaining to the Pipeline Easement and right of way location and access thereto, regardless of whether now existing or hereinafter imposed, pursuant to Authority's Tariffs (the "Security Measures"). Failure to comply with Authority's Security Measures will be grounds for terminating this Agreement as described in Paragraph J above. Authority's Security Measures applicable to the Pipeline Easement and right of way can be ascertained by contacting the Authority's Police Department.

M. Notice. All notices, demands, or requests from Grantee to Authority shall be given to Authority, Attention: Executive Director, P. O. Box 1541, Corpus Christi, Texas 78403, or at such other address as Authority shall request in writing. All notices, demands, or requests from Authority to Grantee shall be given to Grantee, Attn: Chief Operating Officer at P.O. Box 191, Kilgore, Texas 75663, with a copy to Grantee's General Counsel at the same address, or at such other address as Grantee shall request in writing.

The execution of this Agreement shall be conclusive of the agreement of Grantee to all of the terms and conditions hereof, whereupon this easement and all of its provisions shall extend to and be binding upon the legal representatives, successors and assigns of Grantee and Authority, respectively.

[signatures contained on next page]

WITNESS this 21th day of July, 2016.

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

By: _____
John P. LaRue
Executive Director

“Authority”

MARTIN OPERATING PARTNERSHIP L.P.

By: _____
Name: _____
Title: _____
"Grantee"

STATE OF TEXAS §
 §
COUNTY OF NUECES §

 This instrument was acknowledged before me on the __ day of July, 2016, by JOHN P. LaRUE, Executive Director of Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port.

NOTARY PUBLIC, STATE OF TEXAS

STATE OF _____§
 §
COUNTY OF _____§

 This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____, of Martin Operating Partnership, L.P., a Delaware Limited Partnership, on behalf of said Limited Partnership.

NOTARY PUBLIC, STATE OF TEXAS

DATE: July 19, 2016

TO: Port Commission

FROM: Lynn Angerstein, Procurement & Financial Analysis Manager
Lynn@pocca.com
361 885-6142

AGENDA ITEM NO. 13.e

**Approve the Purchase of a CASE SR130 Skid Steer Loader in the
Amount of \$27,746.00 from Nueces Power Equipment
Using Government Pricing from the State of Texas
Buy Board Cooperative Purchasing Program**

SUMMARY: Staff seeks approval to purchase a 2016 CASE Skid Steer Loader for the quoted price of \$27,746.00 and to accept trade-in value of \$4,500.00 on a 2001 Bobcat Skid Steer Loader for a net outlay of \$23,246.00. Staff utilized one of the state-approved purchasing programs known as Buy Board (Buy Board Cooperative Purchasing Program) to locate local businesses and obtain quotes to evaluate which loader would be of the best value to the PCCA.

BACKGROUND: The Maintenance Department currently utilizes a 2001 Bobcat Skid Steer Loader that has proved valuable in transporting large quantities of heavy materials to multiple locations throughout PCCA's facilities. Due to the equipment's 15 years of heavy use, it now requires frequent maintenance and repair. Repair tracking over a 5 year period revealed \$18,094.27 in expenses. When assessing replacement need staff considered the original purchase price of \$20,850.05 compared to the repair expenses. The 2016 Budget included \$40,000.00 to replace the Skid Steer Loader and staff received a quote from a local vendor of \$27,746.00 for replacement. Also, the current equipment was evaluated by the same vendor and a trade-in value of \$4,500.00 was offered.

Staff utilized Buy Board in the procurement process to attain the goal of best value, pre-set standards and compliance of applicable purchasing guidelines. As an additional benefit, Buy Board purchases include a 2% cash rebate on purchases paid annually to PCCA. The Buy Board purchasing alliance was created to serve public schools, municipalities, county government, and all types of local governmental agencies by combining the purchasing power of membership to achieve better pricing. Through a competitive solicitation and selection process, suppliers are awarded master agreements for goods, products and services. These master agreements are then made available to participating public agencies and are conducted in accordance with and subject to the relevant statutes, ordinances, rules and regulations that govern each party's procurement practice. The PCCA's General Purchasing Guidelines allows for the purchase of cars, trucks, boats and other major mobile equipment directly from state or federally approved

purchasing programs with Port Commission approval. The PCCA has been a member of Buy Board since 2012.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: Yes

EMERGENCY: No

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends that a purchase in the amount of \$27,746.00 be awarded to Nueces Power Equipment for the purchase of one CASE SR130 Skid Steer Loader. Nueces Power Equipment is located in Corpus Christi, Texas.

DEPARTMENTAL CLEARANCES:

Originating Department:	Procurement Department
Reviewed & Approved:	Lynn Angerstein Dennis DeVries
Senior Staff:	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

Pricing Tabulation of all received quotes

VENDOR QUOTES

Vendor	Make	Model	Warranty	Purchase Price
Anderson Machinery	Gehl	R135	1 year	\$ 25,685.00
Nueces Power Equipment	Case	SR130	3 year / 3,000 hr	\$ 27,746.00
H&V Equipment	Terex	R165S	3 year / 3,000 hr	\$ 31,542.53
Valley Equipment	Bobcat	S530	1 year	\$ 38,549.51

2016 Loader Budget	\$ 40,000.00
Purchase Price	\$ 27,746.00
Trade-In Value	\$ 4,500.00
2% Buy Board Rebate	<u>\$ 554.92</u>

Under Budget	\$ 17,308.92
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AGENDA MEMORANDUM
Action Item for Port Commission Meeting of
July 19, 2016

DATE: July 19, 2016
TO: Port Commission
FROM: John LaRue, 885-6189; john@pocca.com

AGENDA ITEM NO. 14-A

EXECUTIVE DIRECTOR'S REPORT

COMMUNITY RELATIONS

INTERNAL AND COMMUNITY EVENTS/MEETINGS

- Mayor's Interagency Meeting
- Toby Globy Eco System representative and Education and Conservation Director, Texas State Aquarium
- FBI-NAACP meeting (support for a youth summit)
- Chamber Transition Advisory Board Meeting
- Chamber merger meeting
- Corpus Christi Caller-Times
- CCREDC Senior Executive Breakfast meeting
- Boys and Girls Club Board Meeting: Liz Cantu
- San Patricio EDC Monthly Breakfast
- Corpus Christi Police Department, Code Enforcement Division Port Presentation: Rosie Collin with Nelda Olivo and Danielle Converse
- Ingleside Mayor meeting
- External audit meeting
- ISO 14001 External Audit - Management Review
- Closing Meeting for the ISO 14001 External Audit - Results of Audit
- Mission 911, POCCA Community Relations and TXU Energy conference meeting
- Flatiron Dragados, (discuss DBE opportunities for Harbor Bridge project)
- Corpus Christi Hispanic Chamber of Commerce Board of Director's meeting
- Texas State Aquarium Camp-POCCA site visits

- Texas Energy Advocate Coalition reception with Sean Strawbridge, Jarl Pedersen and Rosie Collin
- Small Business Engagement Meeting with Sandra Davis
- June Audit Meeting presentation
- Women's Shelter-"Great Expectations"
- Marketing Plan meeting with Jarl Pedersen and Patricia Cardenas
- RTA tour with (potential Chamber space)
- Judge, 2016 Caller-Times/Citgo South Texas Distinguished Scholars
- Del Mar College Foundation Board of Trustees general meeting
- Del Mar Small Business Development Center
- Workforce Solutions of the Coastal Bend Board Meeting
- American Heart Association meeting
- Corpus Christi Hispanic Chamber of Commerce Board of Director's meeting with SBA and Flatiron Dragados representatives as featured speakers
- Black Chamber of Commerce, meeting
- World Affairs Council of South Texas luncheon
- Coastal Windstorm Task Force (CWTF) meeting with Chairman Charlie Zahn and Chairman Todd Hunter
- Chairman Todd Hunter, Jarl Pedersen, Nelda Olivo and Rosie Collin meeting (cruise liners)
- United Way presentation
- Commissioner Wes Hoskins and Sam Esquivel to discuss a potential Hillcrest affordable housing program
- Mission 911 Poverty Simulation: Building a Bridge Out of Poverty
- Texas Military Task Force Preparedness Reception, Rosie Collin and Jarl Pedersen
- Corpus Christi Chamber of Commerce Government Affairs
- South Texas Women Leading Government luncheon
- Women Leading Government (WLG) is an initiative started in November 2006 by the Cal-ICMA Preparing the Next Generation committee. The goal of the organization is to help women succeed in public service by enhancing career-building models that develop leadership skills and by networking professional women in government.

Women Leading Government

In photo below: Rosie Collin presenting with assistance from Nelda Olivo and Danielle Converse.



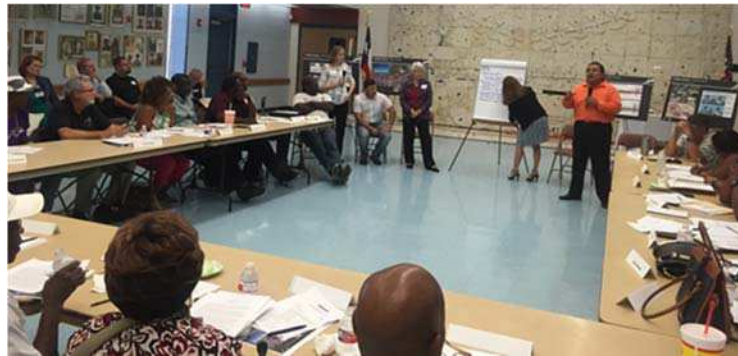
HILLCREST/WASHINGTON COLES ACQUISITION AND RELOCATION PROGRAM

- Weekly Staff Meetings, Hillcrest Program
- Federal Highway Administration/Hillcrest conference call
- HB Neighborhood Action Plan Meeting
- Hillcrest Open House meeting
- Hillcrest: Conference Call - Answers to Legal Questions
- (Oveal Williams Senior Citizen's Center)
- Hillcrest/Harbor Bridge Project Weekly Conference Call
- Appraiser selection meeting (Hillcrest worksite)
- DRA Hillcrest /Washington Coles Program Workshop-Offsite Owner Orientation (Oveal Williams Senior Citizen's Center)
- Hillcrest Washington Coles Neighborhood Action Plan meeting
- Hillcrest Washington Coles Neighborhood Action Plan meeting
- Hillcrest Buyout Neighborhood Action Plan meetings (TxDot)
- Community Advisory Board (TxDOT)
- 4 visits to Hillcrest/Washington Coles Voluntary Acquisition Relocation worksite (6-7, 6-14, 6-22, 6-24, 6-27)
- Hillcrest Washington-Coles Voluntary Real Estate Acquisition and Relocation Program Conference Call
- DRA Hillcrest /Washington Coles Program Workshop for residents (Oveal Williams Senior Citizen's Center)
- DRA Hillcrest /Washington Coles Program Workshop for tenants (Oveal Williams Senior Citizen's Center)
- DRA Hillcrest /Washington Coles Program Workshop for business owners (Oveal Williams Senior Citizen's Center)
- DRA Hillcrest/Harbor Bridge Project Weekly Conference Calls
- DRA Hillcrest /Washington Coles Program Credit Counseling Workshop (Oveal Williams Senior Center)
- Flatiron/Dragados Open House
- DRA Hillcrest /Washington Coles Program First Time Homebuyers Program
- DRA meeting to discuss TxDOT reporting
- DRA Hillcrest/Washington Coles Program Open House

TXDOT SPONSORED COMMUNITY ADVISORY BOARD MEETING

As part of a four-party agreement involving the transportation department, the Port of Corpus Christi Authority, the City of Corpus Christi, and the Corpus Christi Housing Authority, a Community Advisory Board (CAB) is to be formed. The Board's purposes will be to serve as a "two-way conduit of information" between transportation officials and the neighborhood on such issues as the voluntary acquisition program, the relocation benefits program and the relocation of tenants in the D.N. Leathers public housing complex. The CAB is comprised of residents of the Hillcrest community. The By-Laws and Board commitment were reviewed. Reverend from Brooks Chapel was elected Chairman. The CAB will meet monthly.

Shown below: DRA representative speaking before the Community Advisory Board



DRA Hillcrest/Washington Coles Program Open House

DRA & Associates hosted an Open House for members of the Community Advisory Board (CAB), elected officials, city officials and residents of the Hillcrest/Washington-Coles neighborhoods. Port Staff attending included Jarl Pedersen, Sam Esquivel, Sonya Budillo, Jennifer Powell, Matt Garcia, Liz Cantu and Rosie Collin.

Shown below in first photo: Members of the Community Advisory Board and City representatives



COMMUNICATIONS

MAY STAFF & EMPLOYEE EVENT

- Reviewed 2016 Marketing Plan and Creative
- Various PMOP Positive Engagement Campaign meetings
- Various Harbor Bridge Acquisition & Relocation Program related meetings
- Port Commission Mtg.
- Wellness Committee meetings and Luncheon
- CVB monthly meeting
- VCS Board Meeting
- Planned and Attended ALACAT and LNG America's Conferences
- Planning upcoming conferences & tradeshow such as APLA, Breakbulk, FITAC.
- Supported participation in EXPOCARGA
- Supported planning of visit to Panama Canal Expansion grand opening
- Participated in Texas State Aquarium Environmental Camp
- Planning of Oil Dock 15 groundbreaking

MULTIMEDIA COVERAGE FOR JUNE:

NEW MEDIA MARKETING MANAGEMENT

- PortOfCorpusChristi.com
- Our Broadcasts/SEACASTS news feed stories are original content; written to inspire organic growth with search engines.
 - [U.S. crude oil exports on the rise - exploring new markets](#)
 - [Strength and Energy](#)

WEBSITE ANALYTICS (June 1 – 28, 2016)

- 11,759 Sessions
- 24,931 Page Views
- 6,209 Unique Users

USER PROFILES

Country	Sessions	% Sessions
United States	10,838	92.15%
Mexico	100	0.85%
India	96	0.82%
Canada	63	0.54%
Spain	43	0.37%
Chile	31	0.26%

TOP TRAFFIC SOURCE

Source	Sessions	%New Sessions
Organic Search	5,637	54.57%
Direct	4,801	31.37%
Referral	939	37.17%
Other	231	59.31%
Social	153	62.09%

SOCIAL MEDIA – (June 1 – 28, 2016)

Facebook

- 4,501 Likes
- 30 New Likes
- 21,535 Total Reach (Organic)

Twitter

- 1,461 Followers
- 46 New Followers
- 12,949 Impressions (Organic)

MEDIA ADVISORIES/PRESS RELEASES

- [Cuba Advocacy Group Launches Engage Cuba Texas State Council](#)
- Panama Canal opens

MEDIA MENTIONS/WEB STORIES (June 1 – 28, 2016)

- 23 Mentions (See attached PortCCNewsAndSocial-6-2016)

PHOTO | VIDEO | DOCUMENTARY

- Safety Campaign
- Military Cargo Operations
- Commission Meeting
- Employee Photos

MEDIA, MARKETING, COMMUNITY AND PUBLIC RELATIONS

- KIII tv Interview
- Coordinate Publication/Release of Employee Newsletter
- Caller Times Interview
- JoC Interview
- Ch6 Interview

MARKETING RECAP-MDR

Marketing Recap: In June, MDR assisted the Communications Department with the bid for ALACAT 2018 by producing a 2-minute video displaying Corpus Christi as both a strong, economic generator and a coastal-getaway. Corpus Christi won the bid for ALACAT 2018, and MDR will begin designs for save the dates and a retractable banner, which the Port team will use this year and next to gain interest and attendees.

MDR continues to work on the Port's new website. The sitemap has been developed and the team continues to work with all departments to ensure the new site is not only appealing and easy to navigate, but is also thorough and meets the needs of the team.

LNGc Congress Collateral Materials



EMS Workshop Invite



Oil Dock 15 Groundbreaking



MEDIA RECAP: 2016 CAMPAIGN

This year the media plan consists of print and online advertising.

Print: \$71,687 Added Value: \$21,948

Online: \$106,571 Added Value: \$65,941

ONLINE ADVERTISING - Click-thrus to portofcc.com:

Notes: Breakbulk accounted for 23% of June referral traffic followed by Latin Trade's newsletter with 22%. Visits from Breakbulk accounted the most page views with an average of 1.95 and for the longest time spent on the website with an average of 3.27 minutes. Overall average session lasted 1:30 and average pages per session 1.48. Top three sites for referral traffic are Breakbulk (56), Latin Trade (54), and America Economía (48).

Overall site visits are up 20% year-to-date and users are up 18%.

<i>Apr. '16</i>	<i>May '16</i>	<i>June '16</i>	<i>July '16</i>
aapa-ports.org ajot.com breakbulk.com centralamericadata.com expansionsolutionsmagazine.com globaltrademag.com Guia Marítimo eNewsletter il-latam.com (Inbound Logistics Latin America) joc.com latintrade.com NACleanEnergy.com transportjournal.com T21.com.mx	aapa-ports.org ajot.com americaeconomia.com breakbulk.com centralamericadata.com expansionsolutionsmagazine.com globaltrademag.com heavyliftptfi.com joc.com Latin Trade e-Newsletter NACleanEnergy.com seatrade-maritime.com transportjournal.com T21.com.mx	aapa-ports.org americaeconomia.com breakbulk.com centralamericadata.com expansionsolutionsmagazine.com globaltrademag.com heavyliftptfi.com joc.com Latin Trade e-Newsletter seatrade-maritime.com transportjournal.com T21.com.mx	aapa-ports.org americaeconomia.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com globaltrademag.com il-latam.com (Inbound Logistics Latin America) joc.com seatrade-maritime.com transportjournal.com T21.com.mx
217	268	231	TBA

The collage features three distinct images. The top-left image depicts a woman wearing a white hard hat and an orange safety vest, smiling. To her right, the text 'BUILT ON RELATIONSHIPS' is displayed above a large '90' logo and the phrase 'connect with us'. The top-right image is a screenshot of the CentralAmericaData.com website, which includes a search bar, navigation tabs like 'Actualidad', 'Compras de Gobierno', and 'Indicadores y Estadísticas', and a section titled 'Desarrollando Sinergias'. The bottom image shows a man in a white hard hat and orange safety vest, also smiling. To his right, the text 'BUILT ON PARTNERSHIPS' is displayed above another large '90' logo and the phrase 'connect with us'.

PRINTED ADVERTISING

Apr. '16	May '16	June '16	July '16
Maritime Executive	WINDPOWER 2016 Show Dir.** Breakbulk Magazine Expansion Solutions* ** N. American Clean Energy**	No print scheduled	Shippers Today
22,501	86,000	n/a	7,000

*Includes full page editorial of Port with photos, negotiated with media Buy.

**Distributed at conference – bonus circulation.

View of Port Corpus Christi's Inner Harbor facilities, with the Harbor Bridge in the background.

PORT CORPUS CHRISTI
EXPANDING THE PORTFOLIO

According to the National Cotton Council of America, Texas provides twenty-five percent of the country's supply of cotton. The state's vast landscapes are ideal for cotton farms and South Texas is home to many. When Port Corpus Christi opened in 1926, cotton was the main cargo. In fact, the first business to build on port property was the Anexas Compress Company. At that time, the Port had just four docks, and the cotton compress sat just behind Cargo Docks 1 and 2. By 1928, the Port was seeking additional funds to build two more docks to accommodate the cotton industry. In 1930, large oil fields were discovered in Nueces County and its neighboring

counties. In 1934, the first oil refinery, The Taylor Refining Company, opened on the Corpus Christi Ship Channel. Things shifted quickly as Port Corpus Christi became an oil port. This year marks the 90th anniversary for Port Corpus Christi and it continues to be an oil port. In 2014, roughly thirty-five percent of the Port's revenue was from oil refineries. By 2019, the Port projects that number to drop to approximately twenty-seven percent. New industries will account for forty-six percent of port revenue as they come on line later this year and ramp up in 2017. The Port will also begin moving more dry bulk like steel from TPCC America, iron from Vantage Texas, and PET/PTA resin from MAG Chemicals.

One of the main reasons these and many other industries have chosen to locate at Port Corpus Christi is the abundance of natural gas. Whether it's to move it, store it, or consume it, new and expanding companies find value in being near the source. Even if oil and gas play a smaller role in future cargo movements, they'll have contributed value to the Port in diversifying cargo, jobs, salaries and the region's competitiveness.

Infrastructure
With new businesses under construction – and investments totaling \$30 billion – Port Corpus Christi is preparing its infrastructure to handle the influx of cargo movements by land, rail or sea.

Rail Expansion – Phase 1 of the Nueces River Rail Yard construction was completed in 2015 and celebrated with a ribbon cutting one year ago. Phase II is under construction currently and is scheduled for completion at the end of 2016. Once completed, the rail yard will be one of the largest on the Gulf of Mexico. The Nueces River Rail Yard consists of four parallel ladder tracks with a total yard capacity of 15,400 feet and 223 rail cars. At completion, the rail yard will increase to eight 8,000-foot-long unit train sidings. The total project cost is \$39.4 million, utilizing a \$10 million TIGER grant, a \$22 million grant from Texas Department of Transportation, \$6 million from Port Corpus Christi, and the remaining costs paid by Union Pacific, Kansas City Southern, Burlington Northern Santa Fe, and Genesee Wyoming.

Harbor Bridge Replacement – The City of Corpus Christi is moving forward with the construction of a new Harbor Bridge, which connects the city's north side with the North Beach Community and neighboring San Patricio County – where two of the Port's largest foreign investors are constructing facilities. The new bridge, a modern cable-stayed bridge, will greatly increase safety and provide a 205-foot navigational clearance that will accommodate entry into the Port's Inner Harbor for larger ships. Construction is expected to kickoff this summer, with a projected completion of spring 2021.

Joe Fulton International Trade Corridor – When the current Harbor Bridge experiences closures, traffic gets diverted through the Joe Fulton International Trade Corridor. Opened in 2007, the Corridor provides access to

almost 12 miles of industry and green acre land, of which MAG Chemicals purchased a portion. The Port was recently granted \$3.3 million from the Texas Transportation Commission. These funds will be used to widen a portion of the Joe Fulton International Trade Corridor, greatly improving traffic safety as well as access to MAG Chemicals and the Port's new Oil Dock 14. Traffic flow on this road will become critical over the construction period of the new Harbor Bridge.

Channel Improvement Project – Port Corpus Christi received authorization under Section 1001 (4b) of the Water Resource Development Act of 2007 for the following navigation and ecosystem restoration projects:

- Extend the Port's La Quinta Channel approximately 1.4 miles at -39' MLT
- Deepen the extension to -45' MLT to match the original La Quinta Ship Channel
- Construct an ecosystem restoration feature to protect endangered species, wetlands and seagrass
- Widen the Corpus Christi Ship Channel to 520' from the entrance at Port Anansas, Texas to the current Harbor Bridge

• Deepen the Corpus Christi Ship Channel from -45' to -52' MLT
• Add 300' wide barge shelves at -13' MLT across the Corpus Christi Bay

Half of the approved project has been completed. The La Quinta Ship Channel extension and deepening allowed vantage Texas to construct and access a dock on the La Quinta Trade Gateway. However, half of the project remains, and the Port continues to explore avenues to fund the deepening and widening of the channel. This portion of the project becomes vital as vessel traffic increases from new industries opening late this year.

Environmental Management
Balancing business development and environmental stewardship can be challenging, especially as more industry moves in and regulations get tighter. Port Corpus Christi adopted an Environmental Management System in 2004 and 2007, and received ISO 14001 certification, which it maintains today. Earlier this year, the Port Commission formally adopted a set of guidelines designed to further illustrate Port Corpus Christi's environmental leadership in Texas. The Port focuses on Air Quality, Water Quality, Soils & Sediments, Wildlife Habitat, and Environmental Sustainability. As the Port approaches new operations and construction at Port facilities, the five concepts play a major role in deciding if and how a project is feasible.

Port Corpus Christi proudly celebrates its 90th anniversary amid rapid growth, strong partnerships and new relationships. To learn more about Port Corpus Christi and all it has to offer, visit portofcc.com or follow on Facebook or Instagram.

Aerial of the Nueces River Rail Yard and Joe Fulton International Trade Corridor

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GOVERNMENT AFFAIRS

LOCAL

- Attended Corpus Christi Chamber Government Affairs committee meeting.
- Attended Coastal Bend Council of Governments committee meeting.
- Attended various Harbor Bridge meetings.
- Hosted Women Leading Government along with Community Relations at the Port.
- Attended Women's Shelter luncheon.

STATE

- Hosted I-69 Alliance meeting and reception for committee and board members.
- Meeting with Senator Juan Hinojosa and staff to provide update on Hillcrest relocation.
- Meeting with Representative Todd Hunter regarding upcoming Joint Interim Committee hearing to study cruise ship industry.
- Attended first meeting of the Windstorm Task Force Committee hosted by Representative Todd Hunter to prepare for legislative session.
- Various conference calls with Texas Ports Association to discuss upcoming legislative session priorities.
- Attended Transportation Advocates of Texas committee meeting.

FEDERAL

- Provided boat tour of ship channel and key projects for Congressman Blake Farenthold and staff during their annual staff retreat.
- Various meetings and conference calls with consultants to advance our Ship Channel Improvement Project and La Quinta Aids to Navigation.
- Supported passage of Senate WRDA legislation by signing on to AAPA letter.
- Working with congressional offices and consultants to monitor FY 2017-2018 budget, WRDA 2016, Harbor Maintenance Trust Fund, TIGER grant program, PSGP, etc.



MEMORANDUM

To: Nelda Olivo
From: Hugo Berlanga
Re: June Report
Date: July 6, 2016

Below, please find an update on issues of interest to the Port. Also, please find a brief summary of those activities conducted by Berlanga Business Consultants on behalf of the Port:

In a joint letter sent out to state agencies, Governor Gregg Abbott, Lieutenant Governor Dan Patrick, and Speaker Joe Strauss are requiring them to “trim four percent from their base appropriation levels” from their previous 2016-2017 budgets. The “base” levels will be provided to each agency by the Governor’s Office and the Legislative Budget Board. Each agency is required to submit a Legislative Appropriations Request (LAR) which helps lawmakers when developing the biennial budget.

Speaker Straus issued two new interim charges to the House Committee on Appropriations and the House Committee on Public Education. The interim charges ask the committees to review the impact of an expiring provision that has allocated money to school districts to help offset mandated property tax cuts and the use of local property taxes to fund public education and its effects on educational quality and on Texas taxpayers. Straus said ignoring problems in the current school system will only make them worse and solutions are never easy or quick, which is why the issue needs to be addresses sooner rather than later. Straus had already asked the Public Education Committee to study the cost of education index and school districts’ facility needs. The new interim charges come on the heels of a recent Texas Supreme Court opinion that the state’s education finance system is constitutional but imperfect and needs improvement. In the Texas Supreme Court opinion, delivered by Justice Don Willett, the Court urges lawmakers to pass “transformational, top-to-bottom reforms that amount to more than Band-Aid on top of Band-Aid.”

The Texas Supreme Court ruled against Southwest Royalties. If Southwest Royalties had prevailed the state would have owed oil companies multi-billion dollar sales tax refunds. The court’s opinion states that, “Southwest did not prove that the equipment for which it

sought a tax exemption was used in “actual manufacturing, processing, or fabricating” of hydrocarbons within the meaning of Tax Code....” In layman’s terms metal pipes, tubing and other equipment used in oil and gas extraction are not exempt from sales taxes. Texas Comptroller Glen Hegar said if the decision had gone the other way Texas would have owed \$4.4 billion in refunds for the year 2017 alone. The potential \$4.4 billion refund would have cleaned out the state’s projected budget surplus leading into the 2017 Legislative Session. While Hegar and Texas Attorney General Ken Paxton claimed victory, opponents say the ruling did leave the door open for other exemption claims from other drillers.

The Texas Department of Transportation (TxDOT) is hoping for an additional \$38.3 billion in funding over the next decade through pending bonds and state highway funds. With the additional funds the state will double the size of the existing mobility program.

Lieutenant Governor Dan Patrick announced appointments to the Texas Rural Health and Economic Development Advisory Council and to the State Water Implementation Fund for Texas (SWIFT) Advisory Committee. Senator Donna Campbell (R-New Braunfels) will serve on the Texas Rural Health and Economic Development Advisory Council and Senators Charles Perry (R-Lubbock), Craig Estes (R-Wichita Falls) and Juan “Chuy” Hinojosa (D-Hidalgo) will serve on the SWIFT Advisory Committee. On the House side, Speaker Strauss appointed Reps. Lyle Larson (R-San Antonio) and Dade Phelan (R-Beaumont) to the SWIFT Advisory Committee. The SWIFT Advisory Committee oversees the Texas Water Development Board’s implementation of House Bill 4, passed in 2013. The legislation created the SWIFT account to provide loans to help communities across Texas finance water supply and conservation projects. Rep. Eddie Lucio III (D-Brownsville) currently serves on the committee.

Senator Rodney Ellis (D-Houston) will be vacating his seat to run unopposed in the November general election for a seat on the Harris County commissioner’s court. Already showing interest in Ellis’s seat are Reps. Senfronia Thompson (D-Houston) and Borris Miles (D-Houston). Once Ellis officially withdraws from the November election Precinct chairs will vote on who will be his replacement and that person will run unopposed.

In other news, Brisco Cain’s win by 23 votes over seven term incumbent Rep. Wayne Smith (R-Baytown) was confirmed after a recount was conducted. Killeen Mayor Scott Cospers’ win over Austin Ruiz was confirmed by recount, Cospers faces the Democratic nominee Sandra Blankenship. The winner will take over for retiring Rep. Jimmie Don Aycock (R-Killeen).

Lieutenant Governor Patrick appointed Sherry Sylvester, previously of Texans for Lawsuit Reform, as his new senior adviser.

- Attended the Defense and Veterans’ Affairs Committee Hearing held in El Paso on June 2, 2016;

- BBC will continue communication with the members and staff of Senate IGR, Senate Natural Resources, Senate State Affairs, the Lt. Governor's office and House Transportation & Speaker's Office;
- BBC will continue to send notices regarding meetings and articles of interest to the Port via fax and/or e-mail.

**Memorandum for Nelda Olivo
Director of Government Affairs, Port of Corpus Christi Authority**

From: Brian Yarbrough and Janiece Crenwelge
Date: June 30, 2016
Re: Activities on behalf of Port Corpus Christi during June 2016

June 2: Research and review of correspondence from Nelda Olivo regarding proposed Port legislation during the upcoming 85th Texas Legislative Session and review of list of legislative priorities from recent meeting of the Texas Ports Association.

Monitor the hearing activity of the House Committee on Natural Resources. The committee is examining regional and state water planning processes, with emphasis on appropriate role of the state in ensuring that the process both supports regional goals and priorities and the water needs of the state as a whole; the structure and operation of the regional planning groups; the interaction between the planning process and groundwater management; and any impediments to meeting the conservation, agricultural, and rural project goals set by HB 4 (83R), and possible new approaches to help meet these goals. Meeting with Comptroller Glenn Hegar and brief update on Harbor Bridge activity.

June 3: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

June 8: Meeting with Jennifer Saenz, Office of Senator Chuy Hinojosa regarding Port issues and delivery of 2016 Port issues update materials, directory, and Harbor Bridge presentation materials from Flatiron/Dragados. Teleconference with Nelda Olivo regarding proposed Port legislative initiatives program.

June 10: Research and review of Texas Legislative Budget Board submittal from the Port in response to request for information prepared by Nelda Olivo in preparation for the 85th Legislative Session.

June 15: Meetings with Rep. Sarah Davis (R-Houston), Rep.-Elect Ernest Bailes (R-Coldspring) with an introduction on the Port.

June 16: Teleconference with staff of Sen. Brandon Creighton, Chair, Texas Senate Select Committee on Texas Ports regarding Port issues, future meetings dates, and logistics for a Port visit.

June 17: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

June 20: Meeting with Rep. Celia Israel (D-Austin), House Transportation Committee regarding Port issues update.

June 21: Research and review of HCR 108 by Todd Hunter from the 84th Legislative Session regarding the joint interim committee to study the development and potential economic impact of a cruise industry on the Texas coast between Calhoun and Cameron Counties. Transmittal of relevant information to Nelda Olivo.

Monitor the activities of the Senate Agriculture, Water, and Rural Affairs Committee. The Committee will study and make recommendations on improving the process of developing and executing the State Water Plan.

Meeting with Rep. Larry Gonzalez, Chair, Texas Sunset Advisory Commission regarding Port issues and a potential time of a visit to the Port in July.

June 23: Attend and monitor the hearing of the Texas Sunset Advisory Commission hearing for Port issues.

June 29: Meeting with Rep.-Elect Hugh Shine (R-Temple) regarding an introduction on Port issues. Review of Port correspondence regarding Panama Canal Expansion and impact on the Port.

June 1-30: Conferences with offices of Sen. Hinojosa, Reps. Hunter, Lozano and Herrero, and staffs, regarding port issues. Review of and legal research on legislation enacted by the 84th Texas Legislature of interest to Port of Corpus Christi activities and operations. Weekly transmission of relevant rulemakings and public notices to John LaRue and Nelda Olivo.

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MEMO

To: Port of Corpus Christi
From: Borski Associates
Date: July 1, 2016
Re: Monthly Report

ATON and House WRDA Bill

We held a conference call with the Democratic Staff Directors on the House Transportation Committee's Subcommittees on Water Resources and the Coast Guard to gain an understanding of Congressman DeFazio's concerns regarding the Farenthold Amendment. We communicated these concerns to POCCA, along with some questions that required answers.

FY17 Appropriations

House Democrats effectively shut down legislative business by staging a sit-in to demand action on limiting the purchases of semi-automatic assault rifles. This came on the heels of a decision by Speaker Ryan to limit debate and amendments on appropriations bills. With only two legislative weeks remaining before Congress adjourns for August recess, it is doubtful many, if any, appropriations bills will be passed by the House. The Senate has not acted on any appropriations bills this year. We fully anticipate an omnibus/continuing resolution after the elections.

As of this writing, a process for moving past the gun debate seems to be taking shape, which may allow for action on legislation, such as the ATON reimbursement bill.

INFORMATION TECHNOLOGY

Status of Information Technology Programs & Initiatives

- Helpdesk – 563 IT helpdesk tickets submitted and 518 tickets closed in May.
- Employee Cyber Security Training – Partnered with Innove to conduct employee cyber security training in August. Training will be mandatory for all employees with a network account. The training package will include four parts. Classroom style training for employees, computer based training for new hires, monthly cyber threat intelligence bulletins for IT and monthly cyber security updates for all employees.
- Data Center Colocation – Design of network and server environment for colocation data center is complete. Final pricing is submitted and we are under budget. Other options such as dedicated hosting and cloud hosting are being researched. Price comparison for each model is complete and meetings are being scheduled to review and make final recommendation.
- Phone System Replacement – Design of network and phone system is underway for our primary and DR site. Staff has chosen Cisco Unified Communications as the best fit for the Port. Meetings with departments who have high demands of the phone system are being scheduled so the system can be accurately designed. IT staff reviewed demos of recording and mass notification features and will include in final design. Selection of overhead paging systems is complete. Currently evaluating costs savings between Session Initiation Protocol (SIP) and Primary Rate Interface (PRI). This project will be presented for approval at the August commission meeting.
- Agenda Management – Granicus has been chosen by staff to replace existing commission agenda management software. Agenda template design has been chosen and implementation work is in progress. The July Commission agenda was created in a Granicus. IT is currently evaluating other Granicus modules for recording meeting minutes and live streaming of commission meetings.

- Data Circuit RFP – Proposals received for Data Circuit RFP which will provide services to a security camera location. Circuit costs were high due to the remote areas of the camera locations. IT is exploring other methods of data transmission such as microwave. Security Committee approved the purchase of microwave equipment for a wireless transmission. Equipment will be installed and operational before August 31.
- Virtualization of Servers (Port PD) – Project approved at the June commission meeting. Virtualized servers and SAN will be installed by August 31.
- Employee VPN – Enhanced VPN portal for employees is in design stage. The concept is for employees to access their data and applications in a more secure and efficient manner when out of the office. The project will be implemented with existing hardware and software at no additional cost. Two-factor authentication has been added into the scope of this project for added security
- Migration from Novel to Microsoft – Novel GroupWise and network systems are no longer in use. All employees are now using Office 365 (email) and Active Directory (network) systems. Test groups in Active Directory have been created to roll out group policy. Group policy will further secure our environment and centralize management of our computers and networks. A project is underway to combine Office 365 and Active Directory passwords using federated services. This technology will give us the ability to develop a single sign on environment for enterprise applications.
- Electronic Workflows – The goal of this initiative is to limit the number of paper workflows that exist within the Port. Testing is completed for Employee Action Notices and all notices are now going through Docuware. Mobile application for Docuware is being configured so approvals can be made when approvers are not in the office. Design of accounts payable invoice approvals is in progress.

2015 Budgeted Projects

- Data Center Colocation – This project will move the backup data center to a colocation facility in San Antonio. The site has been selected and approved by the Coast Guard. Port IT staff are in the final negotiations with the colocation and telecommunication providers. This project is scheduled to go before the Commission in March for approval. *Estimated project start date: 4/1/16*

- Phone Systems Replacement – Replacement of 10+ year old PBX phone system and consolidation of all sites into one system. This project will remove phone systems at Admin/Annex, HMO, PD, Maintenance and BMD. The existing design of our voice infrastructure is subpar for redundancy and cost effectiveness. Installing a VOIP phone system will allow for SIP trunks which will provide up to 50% reduction in long distance costs. *Estimated project start date: 6/1/16*
- Virtualization of Servers (Port PD) – Existing server infrastructure consists of out of date physical servers. This project would replace 15 to 20 servers with 3 to 4 servers utilizing virtualization. Virtualization introduces costs savings by reducing maintenance contracts along with a reduction in power and cooling needs. Virtualization of servers will also improve the redundancy of the systems they house by utilizing existing Port infrastructure for failover. *Estimated project start date: 4/1/16*
- Network Replacement (Port PD) – As identified in the Transportation Technology Associates Security Technology Master Plan, the network infrastructure for Port PD needs to be upgraded. Most equipment has reached end of life and is no longer supported by the manufacturer. This upgrade would allow for the transition from analog to digital cameras. *Estimated project start date: 5/1/16*

BUSINESS DEVELOPMENT

WIND ENERGY

- Vessel calls during June: Wind cargo vessels: 5
- Staff participated as panelist with Commissioner Barbara Canales at Bi-National Green Energy Forum in San Antonio.
- Staff discussed the possibilities of long-term storage for Production Tax Credit's Safe Harbor Program with multiple wind manufacturers and logistics providers with initiation time-frame of Q4 2016.

PROJECT CARGO

- Continue coordinating the import shipments of plant equipment for M&G as well as in the support for the future logistics involving the receiving of raw materials to initiate product production.
- Project cargo vessels: 3 (includes 2 military vessels)
- Staff continued communication with major construction entity regarding project cargo movements to be initiated in July.

DRY BULK CARGO

- New bulk commodities discussed with 6 vessels coming to PCC for discharge and transport into Mexico. First 2 vessels arrived in June.
- Salt vessel arrived and discharged 7000 tons. We anticipate to have three more, similar shipments, before the end of the year.
- Staff continues to meet with team to develop Master Development Plan for the BMT Beginning with Market Study. Market study selection process completed and candidate will be commented/presented within next Commissioners meeting for their approval.
- Received interest from an entity seeking to handle bulk cargo arriving via vessel, store in a warehouse, thence trans load onto rail to its final destination. Commodity cannot be wetted. Thus seeking to handle within the South general cargo dock; once the LMSR departs in a few months.
- Received the visit from three high executives; from one of Mexico's' top steel manufacturing companies. They have deviated one vessel with bulk materials which after discharged will be railed to their steel plant in Northern Mexico. If all goes well, we may handle up to 800 thousand tons of bulk material per year.

GENERAL CARGO

- New pipeline projects for transferring natural gas are looking to enter PCC for projects entering Mexico.
- Military cargo loaded on vessel at CD 8 and unloaded cargo for rail shipment to forts. 2 vessels for month of June.

- Staff continues to work with pipe coating entity on covered storage needs for construction of new facility in Robstown.
- Staff continues to meet and support M&G with general cargo storage needs, covered and open area.
- Staff continues to work with small business entities for liquid bulk transloading throughout port owned tracks.
- Staff working with small business for cottonseed temporary storage, outbound by rail or barge.

LATIN AMERICA TRADE DEVELOPMENT

- Continue dialogue with various energy companies which participated within the Latin America Petroleum Energy Summit. Two of these entities are moving forward with their business plans to handle LPG in ISO tank containers as well as via small tanker vessels.
- Staff working on a study to segregate the top 5 Latin American economies seeking possible synergies with companies importing-exporting commodities via PCC.
- PCC information requested in June from interested persons-entities:

GENERAL ACTIVITIES

- Staff coordinated the Port visit from an African grain importing delegation.
- Staff participated within the LNG Global Congress which took place in Houston. In addition, staff also assisted to the Pacific Alliance business network meeting.
- Staff continued maintenance of Port Tariff 100-A and Bulk Terminal Tariff 1-A.
 - i. The language within Item 285 and its applications continue to move forward with assistance of IT & Accounting Departments. Launch date expected in late September.
 - ii. Staff collaborated with internal departments regarding accurate wharfage billing process.
- Staff assisted with wind and project cargo identification for accurate billing of monthly storage.
- Staff continued with coordination efforts regarding Southside terminal resurfacing project
- Staff collaborated with other internal departments regarding new Harbor Bridge potential laydown issues at Southside Terminal.
- Staff continued efforts with internal departments and local stevedores regarding alternate future Southside and Northside laydown areas.

FOREIGN TRADE ZONE

A meeting with Foreign Trade Zone (FTZ) operators and local Customs and Border Protection (CBP) officers will be held on Thursday, July 21, 2016. FTZ Manager and CBP will provide updates on ACE system, status of compliance reviews and other FTZ procedures.

FTZ Manager continues working with Valero on an application to modify their FTZ boundaries to include an additional 6.7 acres along Up River Road into their zone.

Superior Weighting is working on FTZ application for their site on Rincon property. The company is in the process of presenting their proposal to taxing authorities for approval.

FTZ Manager continues working with Tex-Isle Supply, Inc. on information required for CBP activation approval of their site which was approved for FTZ designation.

OVATIONS

We had a stellar June here at the Ortiz Center, well exceeding budgeted sales for the month. We are on target to closely meet budget for July, even with us opting to not renew last year's tattoo convention.

We are pleased to continue to host the group from M&G Chemicals here at the Ortiz Center thru October for their new hire training and on-boarding. We welcomed back the Christus Spohn Medical Convention, the CC Apartment Association Trade Show, and Driscoll Children's Hospital Annual Residency graduation, the Chick-fil-A Regional Conference, CSC Annual Safety Awards and i-Heart Media's Taste of the Coastal Bend.

This month we were proud to host for the first time the 25th annual CITGO Tee-Off Reception benefitting the MDA of Corpus Christi, Texas Farm Credit's 100 Year Celebration, Hi-Fairnessee Girls Club Debutant Ball, CC Mission 911's Building the Bridge Out Of Poverty, and the 1st Annual South Texas Homeschool Conference.

On June 16th, Spectra and the Ortiz Center, with the American Advertising Federation-CC Chapter, hosted the 1st Annual "Big Wigs for..." charity event benefitting 8 different local charities. Big Wig recipients from the AAF-CC's Annual Awards selected a local 'Big Wig' and charity to partner with and raise, not only money, but awareness for the charities programs. Through the AAF partnerships, the charities received professionally produced presentations highlighting the great services that they provide throughout the year, while modeling amazing wigs styled by local salon partners. This unique event not only highlighted the Ortiz Center and our various vendor partners to numerous charities and organizers, but also raised over 40k for 8 local charities!

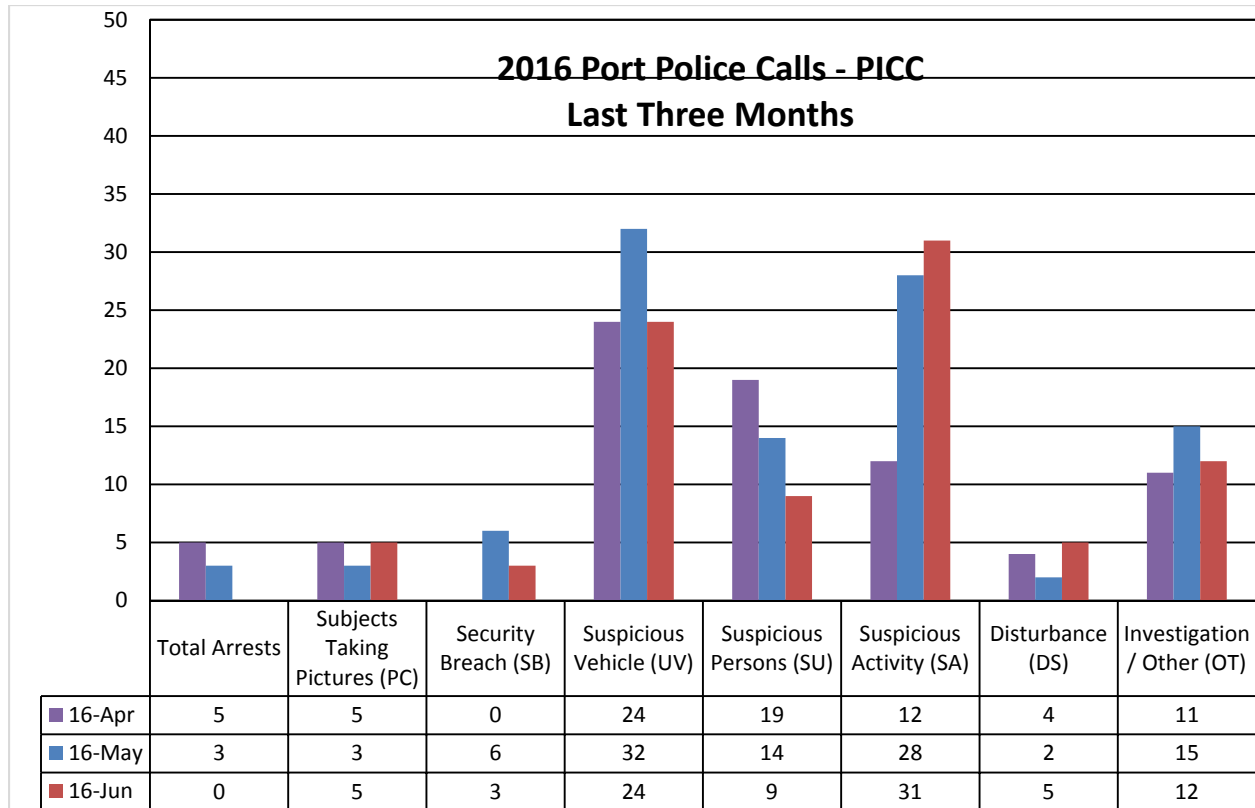
As part of our continued commitment to the community, we are pleased to report that Spectra and the Ortiz Center provided over \$24,000 in discounts and sponsorships to various non-profit and Community Based Organizations this month. The support given by the Ortiz Center assists these wonderful groups in their ability to generate the resources needed to provide services throughout the Coastal Bend region.

Below are 2015 totals and numbers to-date for 2016 activity.

2015	Guest Attendance	Number of Events	Revenue
January	5,113	42	\$216,694
February	2,639	27	\$75,227
March	5,397	40	\$197,604
1st Quarter	13,149	109	\$489,525
April	5,046	53	\$187,262
May	5,727	42	\$187,077
June	4,152	47	\$204,576
2nd Quarter	14,925	142	\$578,915
July	3,511	52	\$165,634
August	2,521	31	\$92,649
September	3,418	30	\$157,647
3rd Quarter	9,450	113	\$415,930
October	4,572	52	\$214,263
November	6,907	56	\$257,904
December	5,468	50	\$385,933
4th Quarter	16,947	158	\$858,100
EOY Total	54,471	522	\$2,342,470

2016	Guest Attendance	Number of Events	Revenue
January	4,621	41	\$149,911
February	4,366	39	\$204,819
March	4,553	59	\$199,597
1st Quarter	13,540	139	\$554,327
April	5,033	47	\$207,522
May	5,980	47	\$190,851
*June	4,342	44	\$213,748
2nd Quarter	15,355	138	\$612,121
July			
August			
September			
3rd Quarter			
October			
November			
December			
4th Quarter			
YTD Total	13,540	130	\$553,590

SECURITY



OPERATIONS

HARBORMASTER

June 2016	June 2016	104	34	785
June 2015		113	33	861

Barge Arrivals	Tank Barges	Freight Barges	Year to Date Barges
June 2016	235	0	2301
June 2015	451	27	2992

Shifting	Tankers	Freighters	Tank Barges	Freight Barges
June 2016	16	3	790	0
June 2015	18	5	865	9

	Average Daily Ship Arrivals	Average Daily Barge Arrivals
2016	4.60	9.27
2015	4.87	15.93

Channel Disruptions June 2016

Channel Disruptions	Total Hours	Light	Tropical Storm Bill	Strong Currents	Rig
June 2016	19	--	--	--	19
June 2015	53.91	--	22.83	16.58	14.5

Delays	Inbound Delays	Outbound Delays
June 2016	4	7
June 2015	18	11

BULK TERMINAL

Current Projects

- Replacing three-quarter belt covers with full belt covers 90% complete. Remaining covers will be installed when remaining conveyor idlers are purchased (2nd QTR 2016)
- Dust control for all pads and roads
- Preparing for pad resurfacing
- Installing cable tray along CB# 2
- Storm Water MGMT-Working with engineers to develop run-off strategy
- Replacing idlers on conveyors 75% complete
- BT Office renovation completed
- Receiving bids for auxiliary power for BT office

- Receiving bids for concrete work associated with auxiliary power and water evacuation pump
- Preparing for paving projects throughout terminal
- Received remaining conveyor idlers for BMD2 system
- Selected consultants for BT market study

Activity (short tons)**Railcars**

- Load rail cars: 0 railcars loaded for a total of 0 Pet coke
- Unload rail cars: 0 railcars unloaded for a total of 0 Pet coke

Bulk Dock #1

- 37,156.70 Met coke

Bulk Dock #2

- 74,866.89 Pet coke

Pads

- 108,752.49 Pet coke
- 16,538.00 Sulfur

YARDS & RAIL

- Rail traffic improving with ADM doing 1105 railcars mixed wheat and sorghum,
- AHMSA/UPRR trial MetCoke and HBI ships to rail at BMD, 6 ships, Metcoke 1st 120 car train departed and returned empty to reload, 1st HBI train 105 cars loaded waiting clearance to depart
- 1854 total revenue rail cars in June 2016 compared to 1185 revenue cars in June 2015
- Working on Agreement (CCPN 1997 Operating) with Welder, Strawbridge and Stroot.
- North Bank storage yard wind components departing by truck and rail, no issues,
- North Storage yard project cargo and wind cargo departing by trucks, FTZ areas set up for M&G cargo
- CD 14 and Rincon small amount cargo from M&G
- South side yard paving project started, 3800 MT pipe arrived south yard, military MOL ops completed. 2 ships about 700 pieces cargo, 4 trains, 30 helicopters,
- GWRR stated still negotiating with MG on plant switching

CARGO DOCKS

- Freezer warehouse foundation being used for lay down by stevedores
- CD 8 – 6 vessels arrived June
- CD 9 – 9 vessels arrived June

MAINTENANCE

Ortiz Center

- Replaced grounded wall plug that caused breaker #9 to trip, replaced flush valve kit in urinal, perform monthly inspection and test of lawn irrigation sprinklers

Commissioners Court

- Set up and tear down stage

Guard houses

- Replaced door hinges on east door of Avery, replaced two circuits on the a/c unit of computer room at Viola, repaired a/c unit at Avery, replaced toilet seat in Stroman restroom

Administration building

- Sanitized and cleaned all ice machines, replaced water filters to ice machines coffee makers and water fountains
- painted Jennifer Powell's office
- replaced lavatory sink faucets in all restrooms
- replaced TP dispensers in 1st floor ladies room
- replaced broken urinal in 1st floor men's restroom,
- monthly generator PM, assisted Diana Deaver with furniture move
- serviced a/c unit in accounting storage trailers located at CD 6
- perform monthly inspection of emergency lights
- perform monthly inspection and test of lawn irrigation sprinklers
- cleaned 1st floor air handler to possibly eliminate foul odors into building- not the source of foul smell

Annex building

- Sanitized and cleaned all ice machines, replaced water filters to ice machines coffee makers and water fountains
- assisted environmental offices with file cabinet relocation
- monthly generator PM
- serviced and lubricated lock mechanism and installed operational signs on emergency South exit gate
- performed monthly inspection of emergency lights
- performed monthly inspection and test of lawn irrigation sprinklers

Port Security/PD

- Repaired flag pole's lower and raise mechanism at PD admin
- replaced GFI electrical outlet to PD safe boat lift,
- sanitized and cleaned ice machine coffee makers and water fountains, replaced water filters to ice machine
- monthly generator PM
- inspected and repaired lawn irrigation system
- performed monthly inspection of emergency lights
- repaired PD trailer jack stan

BMD

- Installed lock set in storage room, changed lock cores in offices as requested by Eric

Cargo Docks

- Replaced damaged fender and bull railing at CD 9
- cleaned and removed boards and debris from CD 8 dock and rail road tracks
- repaired electrical wall plugs at CD 15
- repaired overhead door #10 at CD 15
- repaired potable water piping under dock at CD 9
- monthly potable ship outlet flush and inspection
- painted parking stripes after road resurface at CD 15
- routine lighting inspections and repairs all cargo docks
- continue annual inspection of fire hoses at CD 14

Oil Docks

- Installed damaged handrail at OD 8, inspected and replaced dock signs at OD 1 & 2
- monthly potable ship outlet flush and inspection
- routine lighting inspections and repairs all Oil Docks
- Monthly fire monitor inspections on all oil docks

Fire Boat

- Troubleshoot a/c units - ordered replacement units
- replaced lights in forward void room
- replaced keel cooler impeller
- arranged with Gulf copper to attain bid for pipe replacements to aft fire monitor
- test run forward and aft thrusters

Gates, Fences and Roads

- Replaced top roller on gate #126, filled in pot holes with RAP at Avery roads
- filled in pot holes with RAP at La Quinta KB Hutchinson road
- filled in potholes and resurfaced West fishing area road
- repaired Rincon road at Martin Midstream

Maintenance shops

- Traced and repaired natural gas leak to CNG pump
- performed monthly inspection of emergency lights
- repaired and tested steam cleaners and delivered to CD 14 for military use

Property Other

- Assisted procurement dept. in and setting up refrigerator
- kids' desk and miscellaneous items at Hillcrest trailers
- removed pallets and scrap metal stanchions from Hillcrest trailers
- purchased and installed 30 "No Fishing" signs at JFTIC bicycle trail
- PM generators at La Quinta and Harbor Island
- painted and installed reflectors on gate reader bollards at Hillcrest trailers
- IT (ford) Trailer- replaced run capacitor and treated for rust
- repaired lighting at Al Speight yard
- troubleshoot a/c units at La Quinta radar station - temporarily swapped one unit from Harbor Island to La Quinta

Maintenance Routine

- Janitorial services Port wide
- maintenance and repairs of vehicles and equipmen
- lighting pm throughout Port facilities
- mowing maintenance Port wide

Personnel Status

- One maintenance employee is out recovering from surgery, is expected to return full duty July 15, 2016; another maintenance employee is assigned to oversee mowing operations of both (marlin and sharks) grounds crew until recovering employee returns.
- One maintenance employee continues to be out from work due to illness and had surgery on May 27th (out since April 7, 2016)
- Another maintenance employee resumed normal responsibilities with painting crew and Step up pay for leading grounds crew ended Saturday June 18th.

Environmental Planning and Compliance Monthly Report

Environmental Stewardship Measurements

Program Area	Measured Environmental Improvements – June '16
Electrical Consumption*	10% Green Energy – 364,000 KWHs (through 5/31/2016)
Spent Liquids Recycled	890 gallons
Materials Recycled	41,521 lbs
Components Recycled	610
Regional Air Quality	~63 ppb (EPA standard of 70ppb)
Community Complaints	1
Notice of Violations	0
Tenant Audits Completed	6

Important Announcements

The first of four workshops for Stevedores and Freight Handlers licensed with the PCCA to assist them with development of an EMS to be in compliance with the Tariff 100-A was hosted on June 30, 2016. There was good participation and the workshop went well. The next workshop is scheduled for August 23, 2016. Conference calls with our consultant will occur in the meantime to allow additional support to these companies as they need it.

Since June 8, 2016, Communications Department and Environmental Planning and Compliance Department personnel are conducting a field trip stop for the Texas State Aquarium summer camp programs, every Wednesday through the summer. The field trip stop will include a presentation on the Port and a field exercise at the ferry landing to identify the environmental practices that the Port has implemented. The field trip stop has so far been well received by the students.

Case closure of the former J.I. Hailey lease property, located on the north side of the ship channel has been recommended for case closure by the Texas Commission on Environmental Quality (TCEQ). This closure will occur without encumbrances to the property deed or any other institutional controls.

The TCEQ has recommended decommissioning of the collocated PM₁₀ air monitor at Dona Park due to reduction in PM₁₀ measurements. The TCEQ Regional Director, Ms. Susan Clewis, has attributed the reduction in PM measured at the site to the improvements made by the Port and our tenants at the Bulk Terminal.

Environmental Initiatives Dashboard

Listed below are the environmental initiatives planned or underway and the status of each:

Program	Description of Activities	Target Completion Date	% Complete	Status
Bulk Terminal Air Monitoring Network – Pilot Program	Installation of six air monitors at the Bulk Terminal and one in Dona Park neighborhood.	4/31/2015	100%	Complete
	Completion of a pilot program.	1/31/2016	100%	Complete
	Evaluation of data and final report with recommendations on changes to the monitoring program.	3/31/2016	100%	Complete
	Presentation to community at Long Term Health Group / Dona Park residents.	4/13/2016	100%	Complete
	Routine operation of the monitoring network.	Ongoing	Ongoing	Ongoing
Environmental Management System	Development of revised Environmental Policy.	2/16/2016	100%	Complete
	Baseline, evaluate and expand EMS with new environmental leadership objectives and targets port wide and develop an environmental standards document. <Same as Strategic Plan Action Plan #5>	2/28/2018	20%	Started
	Develop environmental design criteria for incorporation in planning of new development in accordance with Environmental Policy.	12/31/2016	15%	Started
	Certification to ISO 14001:2015.	5/20/2016	100%	Ongoing
	Development of updated EMS video.	8/31/2016	10%	Ongoing
	Complete annual compliance evaluation.	5/31/2016	15%	Ongoing
	Completion of system wide Internal Audit.	6/15/2016	100%	Completed
	Complete Management Review.	5/31/2016	100%	Completed
	Conduct quarterly EMS workshops for Stevedores.	11/30/2016	25%	Ongoing
Tenant Audit Program	Conduct routine annual audits of all leases on PCCA facilities.	Ongoing	6%	Ongoing
	Conduct routine lease-ending audits of terminated or completed lease agreements.	Ongoing	95%	Ongoing
	Conduct baseline assessments of properties as applicable for new lease agreements.	Ongoing	20%	Ongoing
Ozone Advance	Participation in Air Quality Committee and Ozone Advance Working Groups.	Ongoing	Ongoing	Ongoing
	Provide input to Annual Ozone Advance Report.	4/30/2016	100%	Ongoing
Storm Water	Conduct routine inspections and monitoring and sampling in accordance with applicable permits.	Ongoing	50%	Ongoing
	Complete annual reports for previous year in accordance with applicable permits.	1/30/2016	100%	Complete

Environmental Projects Dashboard

Listed below are the budgeted capital, maintenance and professional services projects and the status of each:

<u>Project Description</u> <u>(Proj. #)</u>	<u>Consultant Agreement</u> <u>Type</u>	<u>Description of Activities</u>	<u>Target Completion Date</u>	<u>% Complete</u>	<u>Status</u>
Purchase of Software for EMS Recordkeeping (15-057A)	MA 05-14 E2 ManageTech, SO#4,5,6	RFP for software vendors.	1/29/2016	100%	Completed
		Vendor demonstrations.	3/11/2017	100%	Ongoing
		Negotiations with Successful Vendor.	4/15/2016	100%	Started
		Commission approval of software purchase and implementation contract with successful vendor.	6/21/2016	Pending	Started
		Purchase/implementation of EMIS software.	12/31/2016	0%	Not Started
General Electrical Consumption Reduction Projects (13-013A)	Pending	Negotiating project scope with electrical engineering firm.	03/31/2016	25%	Ongoing
		Design electrical consumption reduction improvements.	06/30/2016	0%	Not Started
		Advertise project for bid.	07/31/2016	0%	Not Started
		Award contract.	8/16/2016	0%	Not Started
		Construction of project.	11/30/2016	0%	Not Started
Geographic Information System Maintenance and Upgrade (15-017B)	Professional Services Agreement – Brown & Caldwell	Data migration.	1/15/2016	100%	Completed
		Conversion – application setup, testing, reporting setup.	5/31/2016	90%	Ongoing
		Deployment	6/30/2016	0%	Not Started
Investigation and Remediation of Contamination from La Quinta Pipeline Removal/Relocation (14-002B)	MA – 01-14 Golder & Associates, SO# 1,2,3	Prepare and submit Groundwater Classification and Drinking Water Survey Reports to TCEQ.	3/7/2016	100%	Ongoing
		Prepare and submit APAR to TCEQ.	8/31/2016	0%	Not Started
		Receive and respond to TCEQ comments.	9/30/2016	0%	Not Started
		Case closure with TCEQ.	11/30/2016	0%	Not Started
Investigation of Former J.I. Hailey Property (11-002B)	PO – Arcadis	Fieldwork for additional groundwater sample collection.	1/5/2016	100%	Completed
		Prepare and submit APAR Addendum to TCEQ.	2/28/2016	100%	Completed
		Receive and respond to TCEQ comments.	04/30/2016	100%	Not Started
		Case closure with TCEQ.	05/31/2016	50%	Not Started
Investigation of Property Near Lift Bridge (14-002C)	MA – 06-14 Apex TITAN, SO# 1,2,3	Additional fieldwork to collect groundwater samples and verification soil samples.	3/28/2016	100%	Ongoing
		Prepare and submit APAR to TCEQ.	5/31/2016	100%	Completed
		Respond to TCEQ comments.	7/31/2016	0%	Not Started
		Case closure with TCEQ.	8/31/2016	0%	Not Started
Storm Water Drainage Study (15-013A)	Pending	Negotiate scope of work and fees.	Pending	50%	Ongoing
		Complete field surveys.	Pending	0%	Not Started
		Receive final report.	Pending	0%	Not Started
Bulk Terminal Master Plan (16-009A)	Pending – Project is now being led by Commercial and Business Development	Commission Approval for RFP for Market Study.	4/19/2016	100%	Completed
		Advertise RFP for Market Study	4/30/2016	100%	Completed
		Shortlist firms and negotiate scope of work and fees.	5/25/2016	100%	Completed
		Commission approval of agreement	6/17/2016	Pending	Started
		Market Study Final Report	8/31/2016	0%	Not Started
		Advertise RFQ for Master Plan	9/30/2016	0%	Not Started
		Shortlist firms and negotiate scope of work and fees.	10/31/2016	0%	Not Started
		Commission approval of agreement	11/15/2016	0%	Not Started

<u>Project Description</u> <u>(Proj. #)</u>	<u>Consultant Agreement</u> <u>Type</u>	<u>Description of Activities</u>	<u>Target Completion</u> <u>Date</u>	<u>% Complete</u>	<u>Status</u>
		Master Plan – Final Draft	6/30/2017	0%	Not Started
Sampling to Support OD-3 Expansion Plans (14-058A)	MA 04-14 RSA, SO# 8	Fieldwork to conduct upland sampling per sampling plan.	10/1/2016	100%	Completed.
		Prepare final report including recommendations for management of upland soils during construction project.	12/31/2016	100%	Ongoing
		Conduct source investigation/delineation of hot spots.	6/30/2016	5%	Not Started
		Develop final report summarizing source investigation and delineation of hot spots.	7/31/2016	0%	Not Started
Bulk Terminal Storm Water Quality Improvements (15-046A)	MA 14-01 LAN, SO# 3,7	95% Design submittal for Task 1a and Task 2	02/26/2016	100%	Completed
		100% design submittal and contract documents for advertisement for Task 1a and Task 2.	7/1/2016	10%	Ongoing
		Advertise for bid.	8/1/2016	0%	Not Started
		Commission approval for construction.	8/16/2016	0%	Not Started
		Construction completed.	3/31/2017	0%	Not Started
Landscape Enhancements (15-057A)	MA 13-07 LNV, SO#5	Phase I 60% design.	3/31/2016	100%	Ongoing
		Phase I 95% design submittal.	5/1/2016	50%	Ongoing
		Phase I 100% design submittal and contract documents for advertisement.	6/1/2016	0%	Not Started
		Commission approval for construction.	8/16/2016	0%	Not Started
		Construction completed.	12/31/2016	0%	Not Started
Storm Water Quality Improvements at Maintenance Facility (15-059A)	Professional Services Agreement with Alan Plummer & Associates	95% Design submittal.	2/10/2016	100%	Completed
		100% Design submittal and contract documents for advertisement.	3/31/2016	80%	Ongoing
		Commission approval for construction.	6/21/2016	0%	Not Started
		Construction completed.	11/30/2016	0%	Not Started
Bulk Dock 2 Air Permit (16-030A)	Pending Commission Approval	Negotiate Master Agreement and Service Order.	3/15/2016	100%	Ongoing
		Prepare and submit air permit authorization for salt at Bulk Dock 1.	5/31/2016	5%	Ongoing
		Prepare technical memo regarding removal/lowering of moisture content from existing permits.	5/31/2016	0%	Not Started
		Support Master Planning activities at the Bulk Terminal.	6/30/2017	0%	Not Started

Environmental Consultant Master Agreements and Service Orders

Listed below are the Environmental Consultant Master Agreements and associated Service Order values:

<i>Consultant (MA#)</i>	<i>2015 Service Order Amounts</i>	<i>2016 Service Order Amounts</i>
Golder & Associates (01-14)	\$79,949	\$0
RPS, Inc. (02-14)	\$59,083	\$38,093
Trinity Consultants (03-14)	\$54,600	\$48,000
Rosengarten Smith and Associates, Inc. (04-14)	\$306,414	\$0
E2 ManageTech Inc. (05-14)	\$38,530	\$86,507
Apex TITAN, Inc. (06-14)	\$28,140	\$51,388.50
TRICORD Consulting, LLC (07-16)	NA	\$56,069
Alan Plummer Associates, Inc. (08-16)	NA	\$10,940
Cardno	NA	\$49,343

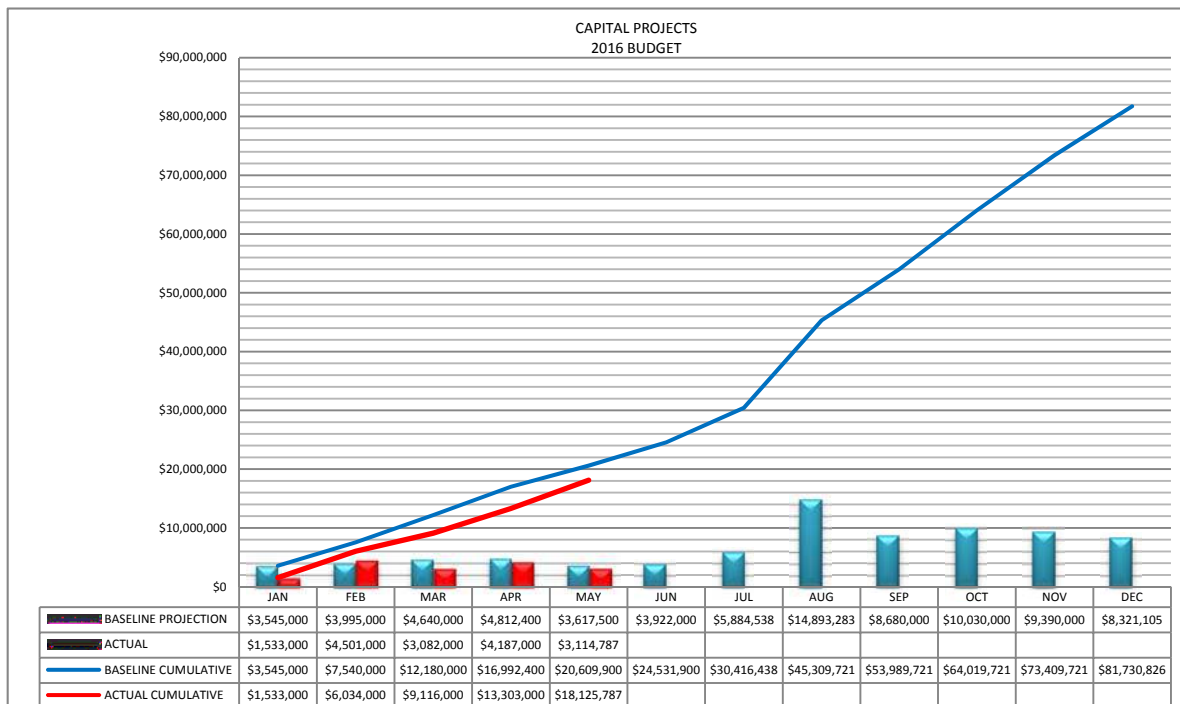
ENGINEERING SERVICES

As of June 30, 2016 (billing through May 31, 2016), the Port of Corpus Christi Authority Department of Engineering Services had completed 11 projects and has 117 projects in progress. These projects consist of 57 Capital, 28 Maintenance, and 32 Professional Service projects. During June, \$3,114,787 was invoiced for ongoing work. To date this year approximately \$13,054,787 has been invoiced for work performed. Below is a table detailing the 2016 budget amount and the “to date” cost, for the capital, maintenance and professional services projects.

Engineering Services May 2016 Report			
Project Type	No. of Projects	2016 Budget Amount	Expended to Date
Capital	14	\$81,730,826	\$16,229,510
Maintenance	13	\$4,005,000	\$1,703,572
Professional Services	11	\$2,425,000	\$192,705
Total	38	\$88,160,826*	\$18,125,787

**Includes federal, state & other grants/funds by others – No land or software.*

Below is a graphic representation of the 2016 Capital Project Budget and the originally projected forecast of monthly expenditure of the capital projects throughout the year. An actual monthly capital project expenditure tracking line is included to follow the progress as the year develops.



**CORPUS CHRISTI SHIP CHANNEL PLANNING, DEVELOPMENT,
MAINTENANCE AND DESIGN**

Corpus Christi Ship Channel - Channel Improvement Project (CCSC-CIP)

- Authorized: WRDA 2007 and WRRDA 2014
- Project Elements:
 - Widening and Deepening the CCSC to -52 feet MLT
 - Adding barge shelves on both sides of the ship channel across Corpus Christi Bay.
 - Extending the La Quinta Channel 1.4 miles at -39 feet MLT
 - Constructing Ecosystem Restoration projects near Port Aransas and Ingleside on the Bay
- CCSC-CIP Status
 - La Quinta Extension Complete (2013)
 - Construction of Ecosystem Restoration Complete (2012)
 - Limited Reevaluation Report for Widening and Deepening Completed (December, 2015)
 - Pending Federal Funding. PCCA staff evaluating channel improvement implementation strategies.

2016 Maintenance Dredging Schedule

- Corpus Christi Ship Channel Entrance Channel
 - Includes Entrance Channel, Jetty Channel, and Inner Basin
 - Current Schedule:
 - Estimated Start Date: July, 2016
 - Estimated Completion Date: September, 2016
- Corpus Christi Ship Channel to Viola Turning Basin/La Quinta Channel
 - Includes Upper Bay, Portions of Inner Harbor, Portions of La Quinta and Options for Oil Dock's 1, 2, 4, 7, 8, & 11; Cargo Docks 8 & 9; Bulk Terminal Dock 2
 - Current Schedule:
 - Start Date: September, 2016
 - Estimated Completion Date: September, 2017

ENGINEERING
MASTER AGREEMENTS AND SERVICE ORDERS

Listed below are the Master Agreements implemented including values of Service Orders issued per year:

	<u>2015</u>	<u>2016</u>
HDR, Inc. (13-01)	\$401,150	\$49,900
Freese and Nichols, Inc. (13-02)	\$278,077	\$399,041
Govind Development, LLC (13-03)	\$176,500	
Naismith Engineering, Inc. (13-04)	\$176,780	
CH2M Hill (13-05)	\$279,380	\$1,061,385
RVE, Inc. (13-06)	\$225,665	\$48,900
LVN, Inc. (13-07)	\$468,517	\$68,845
Lockwood, Andrews and Newnam, Inc. (14-01)	\$643,044	
Maverick Engineering (14-02)	\$8,000	
Coast & Harbor Engineering (14-03)	\$449,331	
WKMC Architects (14-04)	\$50,000	
Worley Parsons (15-01)	\$48,079	
LJA Engineering, Inc. (16-01)		\$161,354

UPCOMING BIDS (PROJECTS > \$50,000) / REQUEST FOR PROPOSALS

Annex Building HVAC Chiller Replacement (16-058A)	July 22, 2016
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**Department of Engineering Services
Project Design & Construction Status Report
DESIGN PROJECTS**

Project No.	Project Title	Project Manager	% Completed
<u>Capital</u>			
14-036A	New Port Office Facility (Preliminary Phase)	BF	20
15-016A	Tule Lake Rail Yard Upgrades and Modifications	BF	10
14-023A	Fire System Pressurization Upgrades at Oil Docks	BP	60
14-028B	Equipment Storage Building	BP	50
14-030A	Public Storage Pads Upgrade	BP	80
14-044A	New Public Oil Dock 18	BP	20
15-047A	Chiller Replacement at Ortiz Center	BP	
15-053A	Reconstruction of Sam Rankin Road (24/76)	BP	80
15-059A	Storm Water System Quality Improvements – Maintenance Facility	BP	80
09-019A	New Access Road to Good Hope DMPA	DJK	40
13-036A	Relocation of Suntime DMPA Drainage to Viola Turning Basin	DJK	100
14-045B	Construction of 8-inch Water Line at La Quinta Property	DJK	50
07-046C	Tule Lake Foundation Removal	DLM	90
13-054C	Security Grant 13 - La Quinta/GIWW Surveillance	DLM	90
15-043A	New Operator's Cab for Gantry Crane	DLM	30
15-050A	Mike Carrell Road Construction	DLM	90
15-061C	Security Grant 15 – Perimeter Fencing at Bulk Terminal (25/75)	DLM	50
15-030A	General Improvements to Oil Dock 6	JEM	70
15-015K	Storm Water Drainage Improvements at Public Fishing Areas	LGD	90
15-040A	Concrete Paving Under Conveyor Belt 2	LGD	30
15-041A	Improvements to Fire Protection Systems at Oil Docks 4, 7, 11	NEF	50
<u>Maintenance</u>			
15-035A	Upgrades and Repairs to Bulk Dock 2 Marine Structures	EM	80
15-037B	Repair Bridge to Oil Dock 12 (\$150,000)	EM	60
15-032A	Bulk Dock 1 (\$120,000) Storage Building Upgrades	LGD	90

CONSTRUCTION PROJECTS

Project No.	Project Title	Project Manager	% Completed
<u>Capital</u>			
14-028A	Bulk Terminal Office Renovation	BP	90
15-044A	Paving of Area Around CB-4 & CB-8	BP	30
13-032A	Construction of Oil Dock 14	DLM	90
13-043A	Nueces River Rail Yard Phase - II	DLM	50
13-054D	Security Grant 13 - Emergency Power	DLM	30
14-060C	Security Grant 14 – Oil Dock 14 Access Control	DLM	20
13-033A	Full Covers Over All Conveyor Belts	EM	100
15-055A	Purchase and Installation of Additional AEI Readers	EM	
14-016A	Inner Harbor Rail Upgrades and Improvements	JEM	100
14-041A	Replace Dock House at Oil Dock 10	JEM	100
15-065A	Joe Fulton Corridor Waterline Extension	JEM	80
12-031A	La Quinta Terminal Mitigation – Aquatic Habitat	PDC	80
<u>Maintenance</u>			
15-012A	Re-Roofing of the William D Dodge III Security Command Center and Annex Building Eyebrows	BP	90
15-018A	Roadway & Parking Lot Repairs (2015)	BP	20
15-019A	Inner and Outer (\$250,000) Harbor Land Management (2015)	BP	90
15-022A	Savage Lane Railroad Drainage	BP	90
15-014A	Purchase of Dock Fenders and Panels	EM	100
15-033A	Replace Conveyor Idlers	EM	100
15-037A	Repair Bridge to Oil Dock 11 (\$150,000)	EM	50
15-038A	Resturfacing of South Side (\$375,000) Open Storage Areas	EM	70
16-050A	Replace Conveyor Idlers (\$200,000)	EM	50
15-039A	Fire Line Improvements at Oil Dock 2	JEM	30

Port of Corpus Christi Authority

MONTHLY FINANCIAL RESULTS

● KEY METRICS	1
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May 2016



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

KEY METRICS

OPERATING REVENUES	OPERATING EXPENSES	NET INCOME(LOSS)	TONNAGE	SHIPS AND BARGES	CAPITAL PROJECTS
\$ 31,573,653	\$ 22,532,495	\$ 5,250,683	37,705,070	6,812	\$ 19,933,395
↓ -9% Actual	↑ 8% Actual	↑ 25% Actual	↓ -11% Actual	↓ -17% Actual	
↓ -16% Budget	↓ -9% Budget	↓ -37% Budget			↓ -6% Budget

ALL METRICS

METRIC	YTD 2016 ACTUAL	YTD 2015 ACTUAL	% CHANGE	YTD 2016 BUDGET	% CHANGE
ASSETS	\$ 634,906,809	\$ 603,642,975	↑ 5%		
CASH & INVESTMENTS	\$ 165,462,613	\$ 165,257,011	↑ 0%		
ACCOUNTS RECEIVABLE	\$ 10,433,261	\$ 10,998,492	↓ -5%		
RESTRICTED ASSETS	\$ 81,946,952	\$ 112,467,974	↓ -27%		
LIABILITIES	\$ 140,605,147	\$ 143,943,719	↓ -2%		
NET POSITION	\$ 496,260,551	\$ 459,699,256	↑ 8%		
OPERATING REVENUES	\$ 31,573,653	\$ 34,691,179	↓ -9%	\$ 37,410,574	↓ -16%
OPERATING EXPENSES	\$ 22,532,495	\$ 20,836,682	↑ 8%	\$ 24,699,193	↓ -9%
NET OPERATING INCOME (LOSS)	\$ 9,041,158	\$ 13,854,497	↓ -35%	\$ 12,711,381	↓ -29%
NON OPERATING REVENUE (EXPENSES)	\$ (3,790,475)	\$ (9,649,828)	↑ 61%	\$ (4,322,977)	↑ 12%
NET INCOME (LOSS)	\$ 5,250,683	\$ 4,204,669	↑ 25%	\$ 8,388,404	↓ -37%
TONNAGE	37,705,070	42,171,588	↓ -11%		
SHIPS	641	717	↓ -11%		
BARGES	2,032	2,506	↓ -19%		
SHIPS & BARGES	2,673	3,223	↓ -17%		
RAIL CARS	6,812	6,457	↑ 5%		
CAPITAL PROJECTS	\$ 19,933,395			\$ 21,102,933	↓ -6%

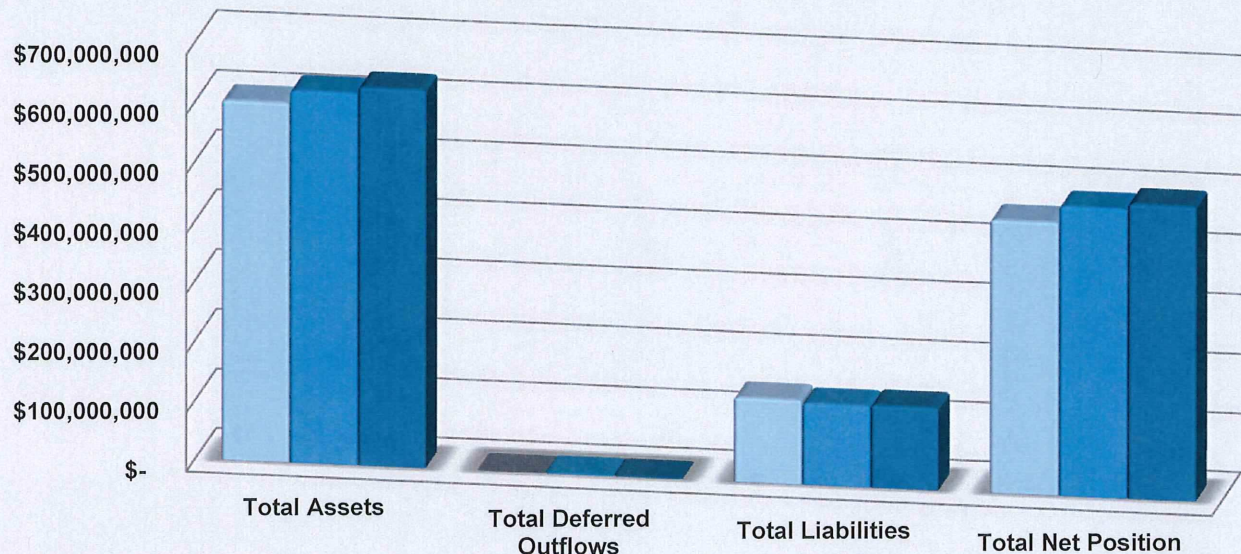
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF NET POSITION

	May	December	Annual Change	%	May	Year-Over-Year Change	%
	2016	2015			2015		
Cash/ Investments	\$ 165,462,613	\$ 155,618,723	\$ 9,843,890	6%	\$ 165,257,011	\$ 205,602	0%
A/R	\$ 10,433,261	\$ 17,592,762	\$ (7,159,501)	-41%	\$ 10,998,492	\$ (565,231)	-5%
Restricted Assets	\$ 81,946,952	\$ 90,967,295	\$ (9,020,343)	-10%	\$ 112,467,974	\$ (30,521,022)	-27%
P P & E, net	\$ 370,449,971	\$ 355,995,268	\$ 14,454,703	4%	\$ 305,140,514	\$ 65,309,457	21%
Other	\$ 6,614,012	\$ 3,967,987	\$ 2,646,025	67%	\$ 9,778,984	\$ (3,164,972)	-32%
Total Assets	\$ 634,906,809	\$ 624,142,035	\$ 10,764,774	2%	\$ 603,642,975	\$ 31,263,834	5%
Deferred Outflows-Pension	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Total Deferred Outflows	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Current Liabilities	\$ 6,923,077	\$ 7,241,469	\$ (318,392)	-4%	\$ 7,372,813	\$ (449,736)	-6%
Unearned Income	\$ 14,247,660	\$ 12,401,441	\$ 1,846,219	15%	\$ 17,593,933	\$ (3,346,273)	-19%
Long-term Debt	\$ 115,000,000	\$ 115,000,000	\$ -	0%	\$ 115,000,000	\$ -	100%
Other	\$ 4,434,410	\$ 4,347,870	\$ 86,540	2%	\$ 3,976,973	\$ 457,437	12%
Total Liabilities	\$ 140,605,147	\$ 138,990,780	\$ 1,614,367	1%	\$ 143,943,719	\$ (3,338,572)	-2%
Investment in Net Assets	\$ 292,892,045	\$ 287,147,608	\$ 5,744,437	2%	\$ 277,528,260	\$ 15,363,785	6%
Restricted Net Position	\$ 36,034,065	\$ 36,153,709	\$ (119,644)	0%	\$ 16,152,375	\$ 19,881,690	123%
Unrestricted Net Position	\$ 167,334,441	\$ 163,808,827	\$ 3,525,614	2%	\$ 166,018,621	\$ 1,315,820	1%
Total Net Position	\$ 496,260,551	\$ 487,110,144	\$ 9,150,407	2%	\$ 459,699,256	\$ 36,561,295	8%

Statement of Net Position



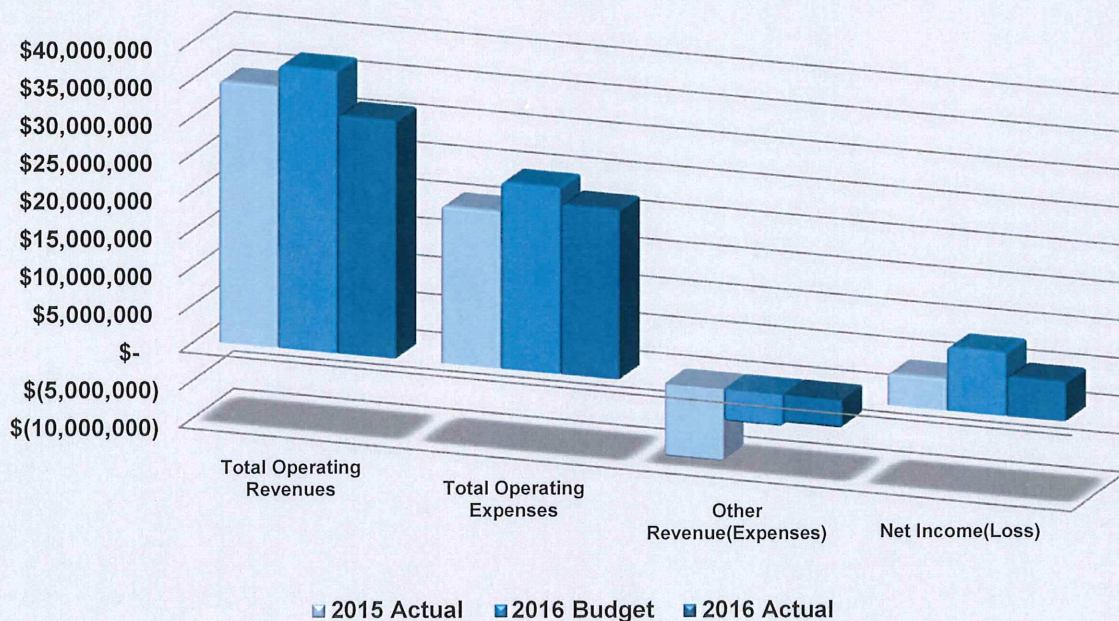
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF REVENUES AND EXPENSES

	May			Change			
	2016		2015	Budget	%	Actual	%
	Actual	Budget	Actual				
Wharfage	\$ 16,578,964	\$ 19,925,614	\$ 18,707,526	\$ (3,346,650)	-17%	\$ (2,128,562)	-11%
Dockage	\$ 4,807,880	\$ 6,557,341	\$ 6,193,547	\$ (1,749,461)	-27%	\$ (1,385,667)	-22%
Security	\$ 2,398,270	\$ 2,971,885	\$ 2,775,900	\$ (573,615)	-19%	\$ (377,630)	-14%
Other Shipping Services	\$ 2,973,996	\$ 4,009,651	\$ 3,382,022	\$ (1,035,655)	-26%	\$ (408,026)	-12%
Building and Land Rental	\$ 4,814,543	\$ 3,946,083	\$ 3,632,184	\$ 868,460	22%	\$ 1,182,359	33%
Total Operating Revenues	\$ 31,573,653	\$ 37,410,574	\$ 34,691,179	\$ (5,836,921)	-16%	\$ (3,117,526)	-9%
Employee Services	\$ 8,531,114	\$ 9,371,140	\$ 8,053,671	\$ (840,026)	-9%	\$ 477,443	6%
Maintenance	\$ 2,318,380	\$ 2,850,022	\$ 1,642,272	\$ (531,642)	-19%	\$ 676,108	41%
Utilities/ Telephone	\$ 550,102	\$ 549,814	\$ 610,330	\$ 288	0%	\$ (60,228)	-10%
Insurance	\$ 706,878	\$ 870,223	\$ 807,739	\$ (163,345)	-19%	\$ (100,861)	-12%
Prof/ Contracted Services	\$ 2,673,122	\$ 2,958,095	\$ 2,483,196	\$ (284,973)	-10%	\$ 189,926	8%
Operator/ Event Expenses	\$ 642,278	\$ 548,867	\$ 567,955	\$ 93,411	17%	\$ 74,323	13%
Admin/Trade Dvlp/Other	\$ 1,631,929	\$ 1,766,924	\$ 1,585,945	\$ (134,995)	-8%	\$ 45,984	3%
Depreciation	\$ 5,478,692	\$ 5,784,108	\$ 5,085,574	\$ (305,416)	-5%	\$ 393,118	8%
Total Operating Expenses	\$ 22,532,495	\$ 24,699,193	\$ 20,836,682	\$ (2,166,698)	-9%	\$ 1,695,813	8%
Net Operating Income(Loss)	\$ 9,041,158	\$ 12,711,381	\$ 13,854,497	\$ (3,670,223)	-29%	\$ (4,813,339)	-35%
Interest Income	\$ 862,506	\$ 297,467	\$ 284,795	\$ 565,039	190%	\$ 577,711	203%
Other Revenue	\$ 76,418	\$ 104,534	\$ 77,358	\$ (28,116)	-27%	\$ (940)	-1%
Gain(Loss) Disposal of Assets	\$ -	\$ -	\$ (5,861,820)	\$ -	-	\$ 5,861,820	-100%
Interest/Bond Expense	\$ (1,729,399)	\$ (1,724,978)	\$ (1,150,109)	\$ (4,421)	0%	\$ (579,290)	50%
Other Expense	\$ (3,000,000)	\$ (3,000,000)	\$ (3,000,052)	\$ -	0%	\$ 52	0%
Other Revenue(Expenses)	\$ (3,790,475)	\$ (4,322,977)	\$ (9,649,828)	\$ 532,502	12%	\$ 5,859,353	61%
Net Income(Loss)	\$ 5,250,683	\$ 8,388,404	\$ 4,204,669	\$ (3,137,721)	-37%	\$ 1,046,014	25%

Statement of Revenues & Expenses



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Public Oil Docks</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 10,212,042	\$ 13,406,559	\$ (3,194,517)
Operating Expenses	\$ (987,297)	\$ (972,403)	\$ (14,894)
Net Operating Income(Loss)	\$ 9,224,745	\$ 12,434,156	\$ (3,209,411)
Other Revenue(Expenses)	\$ (419,995)	\$ (419,995)	\$ -
Net Income(Loss)	\$ 8,804,750	\$ 12,014,161	\$ (3,209,411)

<u>Private Oil Docks</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 6,617,725	\$ 6,355,685	\$ 262,040
Operating Expenses	\$ (17,147)	\$ (21,165)	\$ 4,018
Net Operating Income(Loss)	\$ 6,600,578	\$ 6,334,520	\$ 266,058
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 6,600,578	\$ 6,334,520	\$ 266,058

<u>Dry Cargo Docks</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 2,518,609	\$ 4,345,272	\$ (1,826,663)
Operating Expenses	\$ (1,743,387)	\$ (1,174,336)	\$ (569,051)
Net Operating Income(Loss)	\$ 775,222	\$ 3,170,936	\$ (2,395,714)
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 775,222	\$ 3,170,936	\$ (2,395,714)

<u>Bulk Terminal</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 4,090,435	\$ 4,027,317	\$ 63,118
Operating Expenses	\$ (2,191,513)	\$ (2,807,028)	\$ 615,515
Net Operating Income(Loss)	\$ 1,898,922	\$ 1,220,289	\$ 678,633
Other Revenue(Expenses)	\$ 2	\$ (416)	\$ 418
Net Income(Loss)	\$ 1,898,924	\$ 1,219,873	\$ 679,051

<u>Conference Center</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 987,330	\$ 844,341	\$ 142,989
Operating Expenses	\$ (969,076)	\$ (946,288)	\$ (22,788)
Net Operating Income(Loss)	\$ 18,254	\$ (101,947)	\$ 120,201
Other Revenue(Expenses)	\$ 3,070	\$ 1,572	\$ 1,498
Net Income(Loss)	\$ 21,324	\$ (100,375)	\$ 121,699

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Property and Buildings</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 3,219,884	\$ 4,229,008	\$ (1,009,124)
Operating Expenses	\$ (2,018,972)	\$ (3,208,164)	\$ 1,189,192
Net Operating Income(Loss)	\$ 1,200,912	\$ 1,020,844	\$ 180,068
Other Revenue(Expenses)	\$ (685,791)	\$ (685,789)	\$ (2)
Net Income(Loss)	\$ 515,121	\$ 335,055	\$ 180,066

<u>Other Facilities</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 1,510,020	\$ 1,135,122	\$ 374,898
Operating Expenses	\$ (1,261,291)	\$ (1,069,194)	\$ (192,097)
Net Operating Income(Loss)	\$ 248,729	\$ 65,928	\$ 182,801
Other Revenue(Expenses)	\$ (3,619,192)	\$ (3,619,194)	\$ 2
Net Income(Loss)	\$ (3,370,463)	\$ (3,553,266)	\$ 182,803

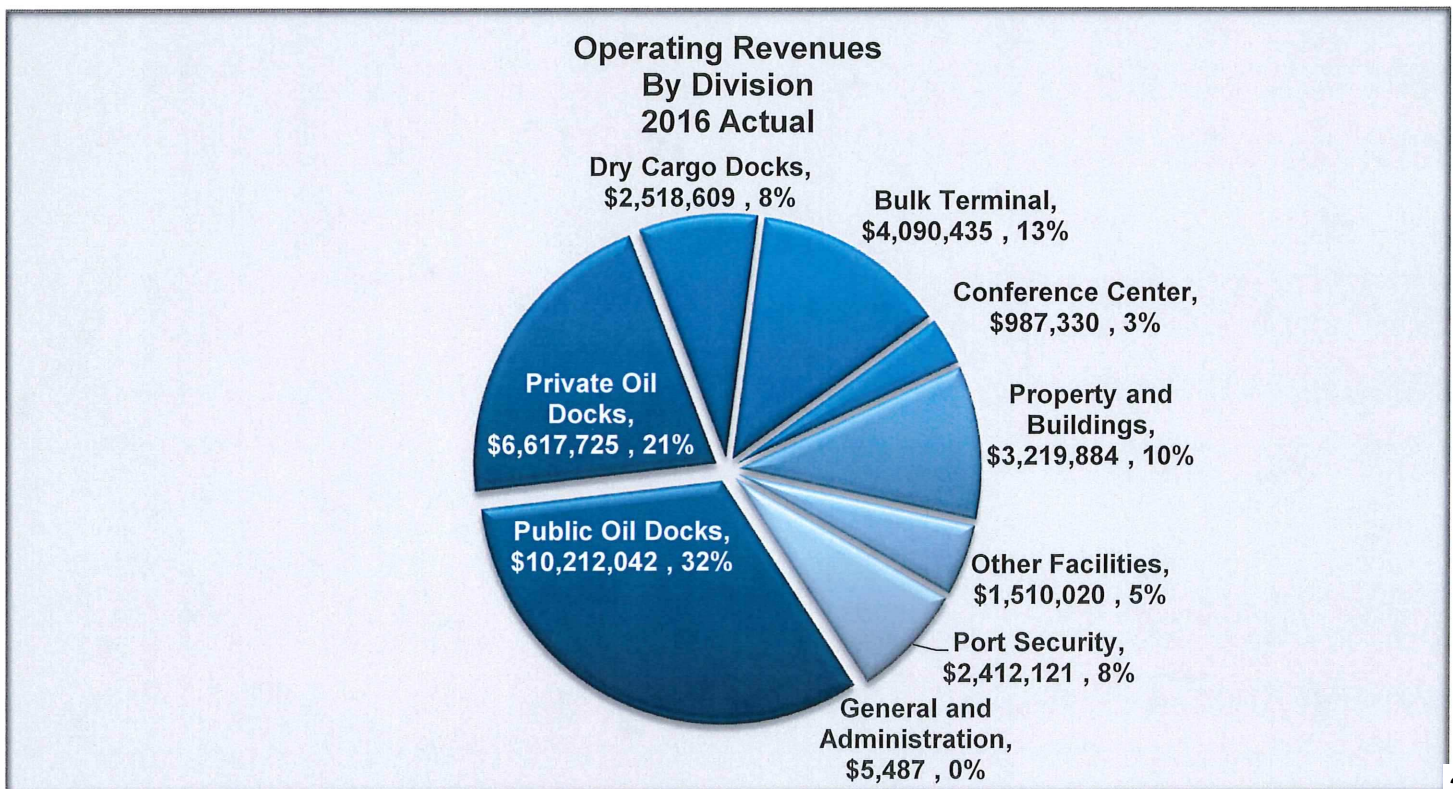
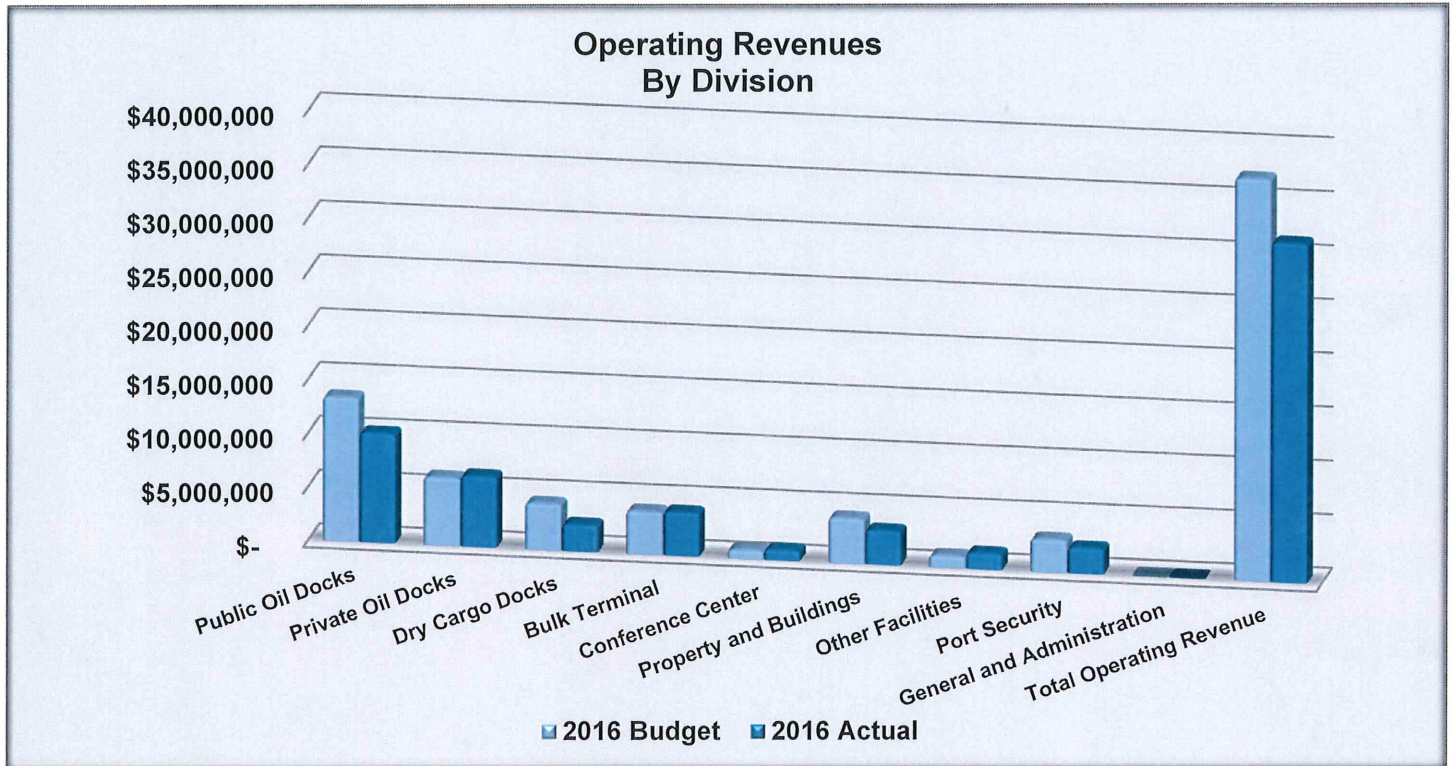
<u>Port Security</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 2,412,121	\$ 3,067,270	\$ (655,149)
Operating Expenses	\$ (3,899,563)	\$ (3,903,879)	\$ 4,316
Net Operating Income(Loss)	\$ (1,487,442)	\$ (836,609)	\$ (650,833)
Other Revenue(Expenses)	\$ 4	\$ -	\$ 4
Net Income(Loss)	\$ (1,487,438)	\$ (836,609)	\$ (650,829)

<u>General and Administration</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 5,487	\$ -	\$ 5,487
Operating Expenses	\$ (9,444,249)	\$ (10,596,736)	\$ 1,152,487
Net Operating Income(Loss)	\$ (9,438,762)	\$ (10,596,736)	\$ 1,157,974
Other Revenue(Expenses)	\$ 931,427	\$ 400,845	\$ 530,582
Net Income(Loss)	\$ (8,507,335)	\$ (10,195,891)	\$ 1,688,556

<u>Total</u>	May		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 31,573,653	\$ 37,410,574	\$ (5,836,921)
Operating Expenses	\$ (22,532,495)	\$ (24,699,193)	\$ 2,166,698
Net Operating Income(Loss)	\$ 9,041,158	\$ 12,711,381	\$ (3,670,223)
Other Revenue(Expenses)	\$ (3,790,475)	\$ (4,322,977)	\$ 532,502
Net Income(Loss)	\$ 5,250,683	\$ 8,388,404	\$ (3,137,721)

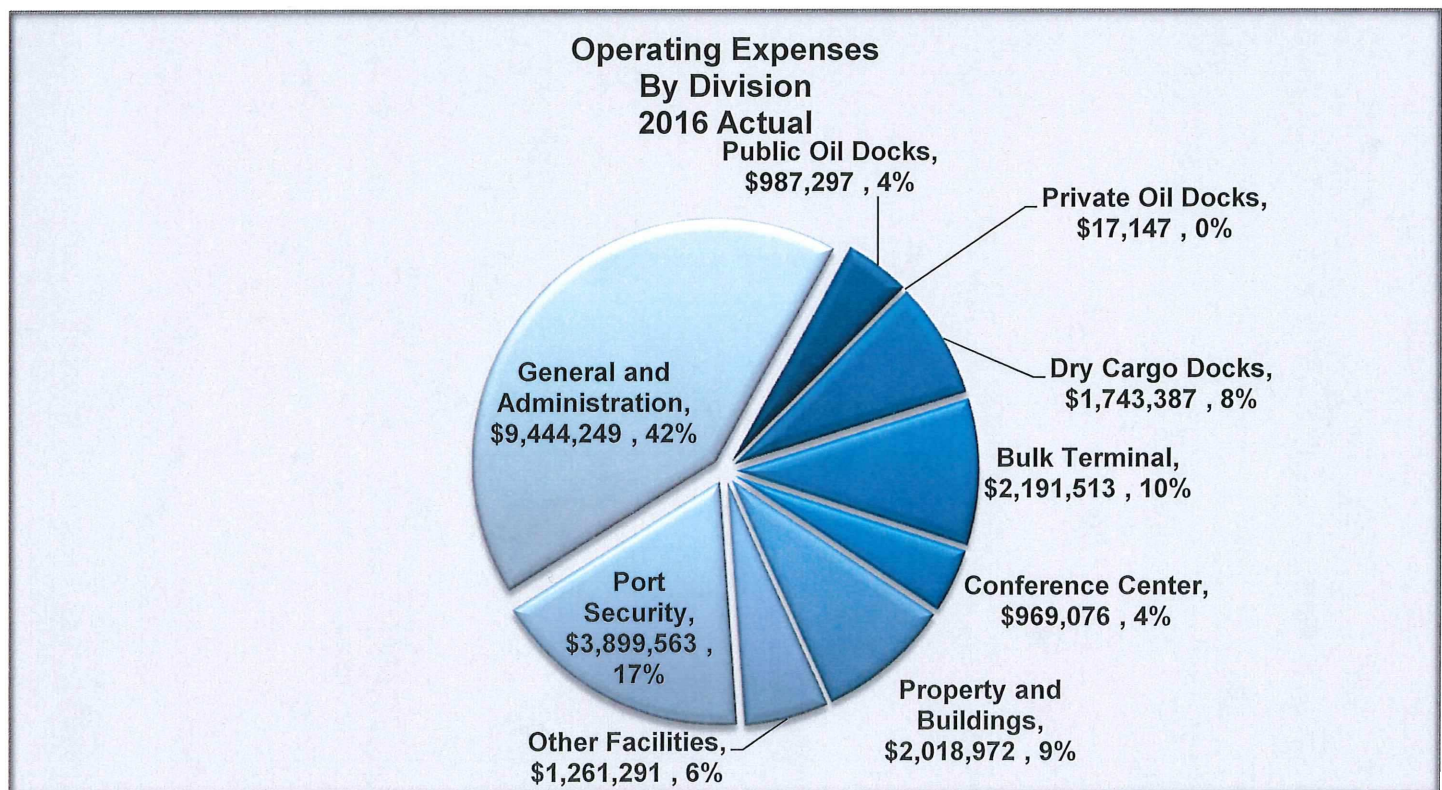
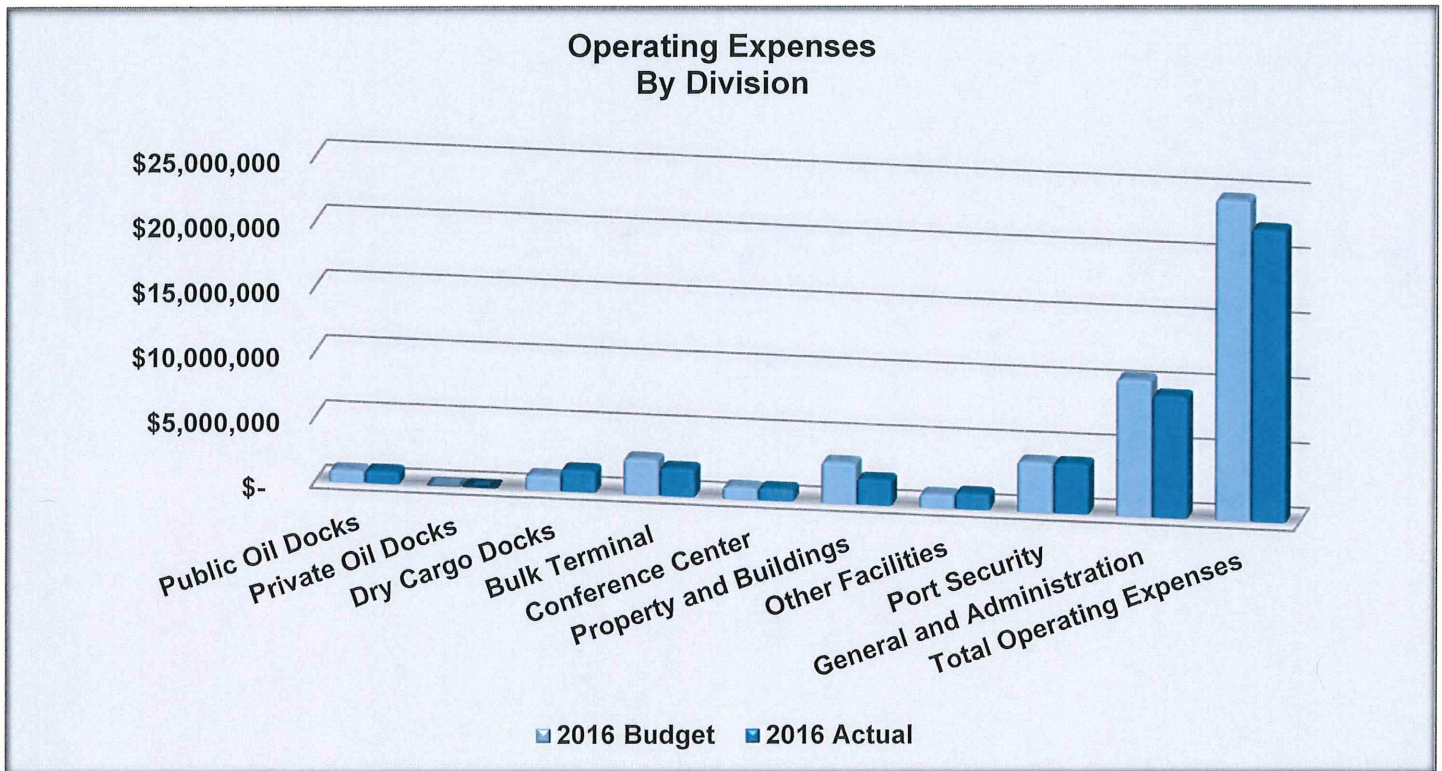
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

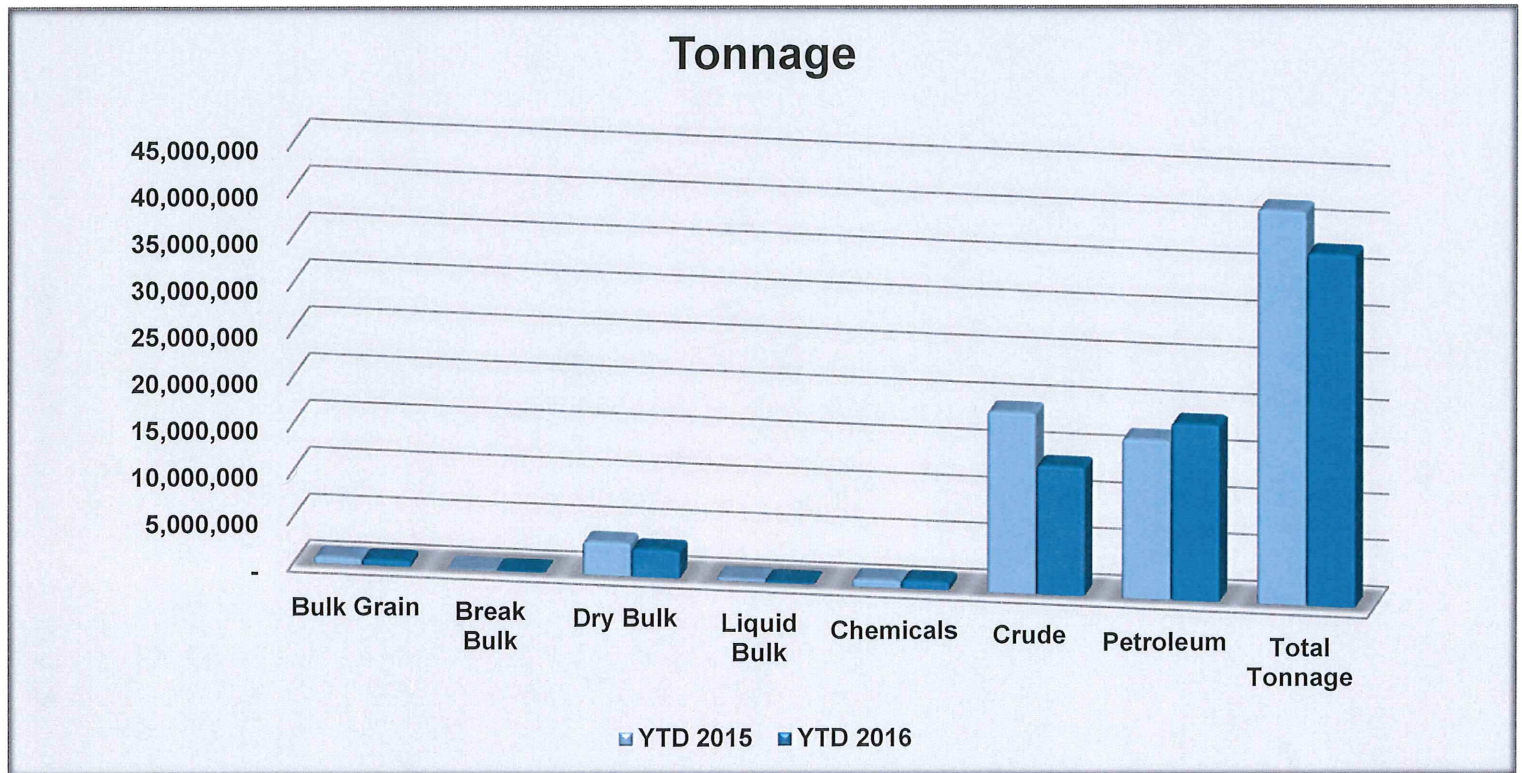


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

TONNAGE

	May		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Bulk Grain	228,714	40,530	188,184	464%	656,203	715,504	(59,301)	-8%
Break Bulk	17,382	63,283	(45,901)	-73%	93,248	97,859	(4,611)	-5%
Dry Bulk	554,284	725,972	(171,688)	-24%	3,008,075	3,600,590	(592,515)	-16%
Liquid Bulk	46,309	49,265	(2,956)	-6%	209,624	357,862	(148,238)	-41%
Chemicals	123,654	224,347	(100,693)	-45%	878,456	808,450	70,006	9%
Crude	2,692,543	3,509,821	(817,278)	-23%	13,880,729	19,451,110	(5,570,381)	-29%
Petroleum	3,724,348	3,563,280	161,068	5%	18,978,735	17,140,213	1,838,522	11%
Total Tonnage	7,387,234	8,176,498	(789,264)	-10%	37,705,070	42,171,588	(4,466,518)	-11%



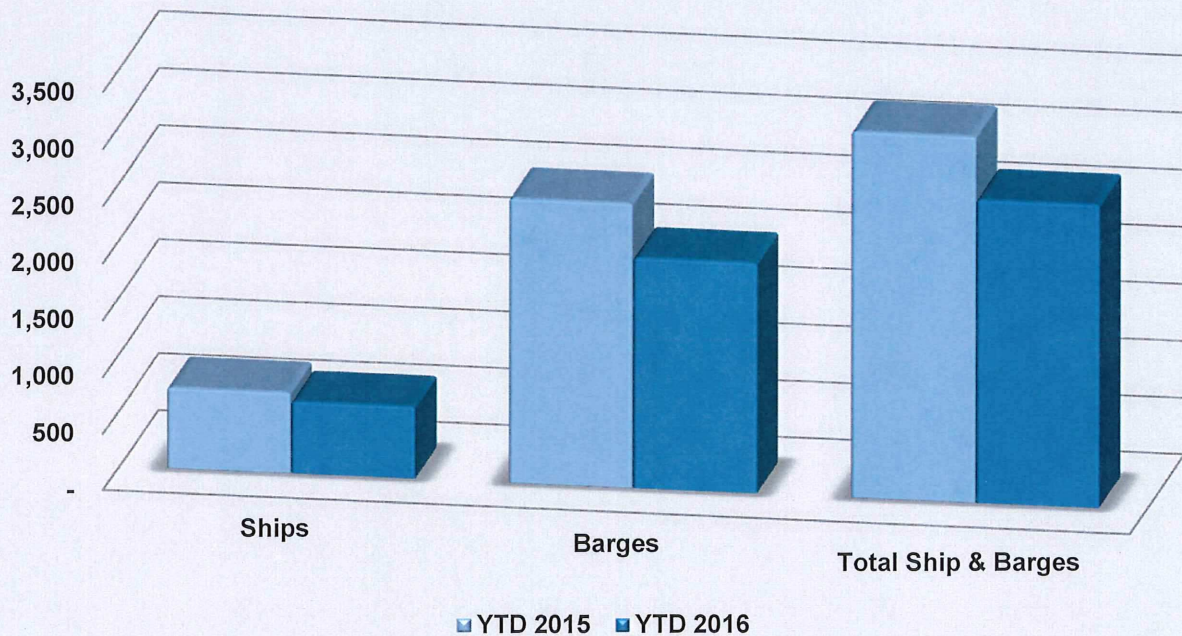
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

SHIP & BARGE MOVEMENTS

	May		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Ships	116	155	(39)	-25%	641	717	(76)	-11%
Barges	385	479	(94)	-20%	2,032	2,506	(474)	-19%
Total Ship & Barges	501	634	(133)	-21%	2,673	3,223	(550)	-17%

Ships & Barges

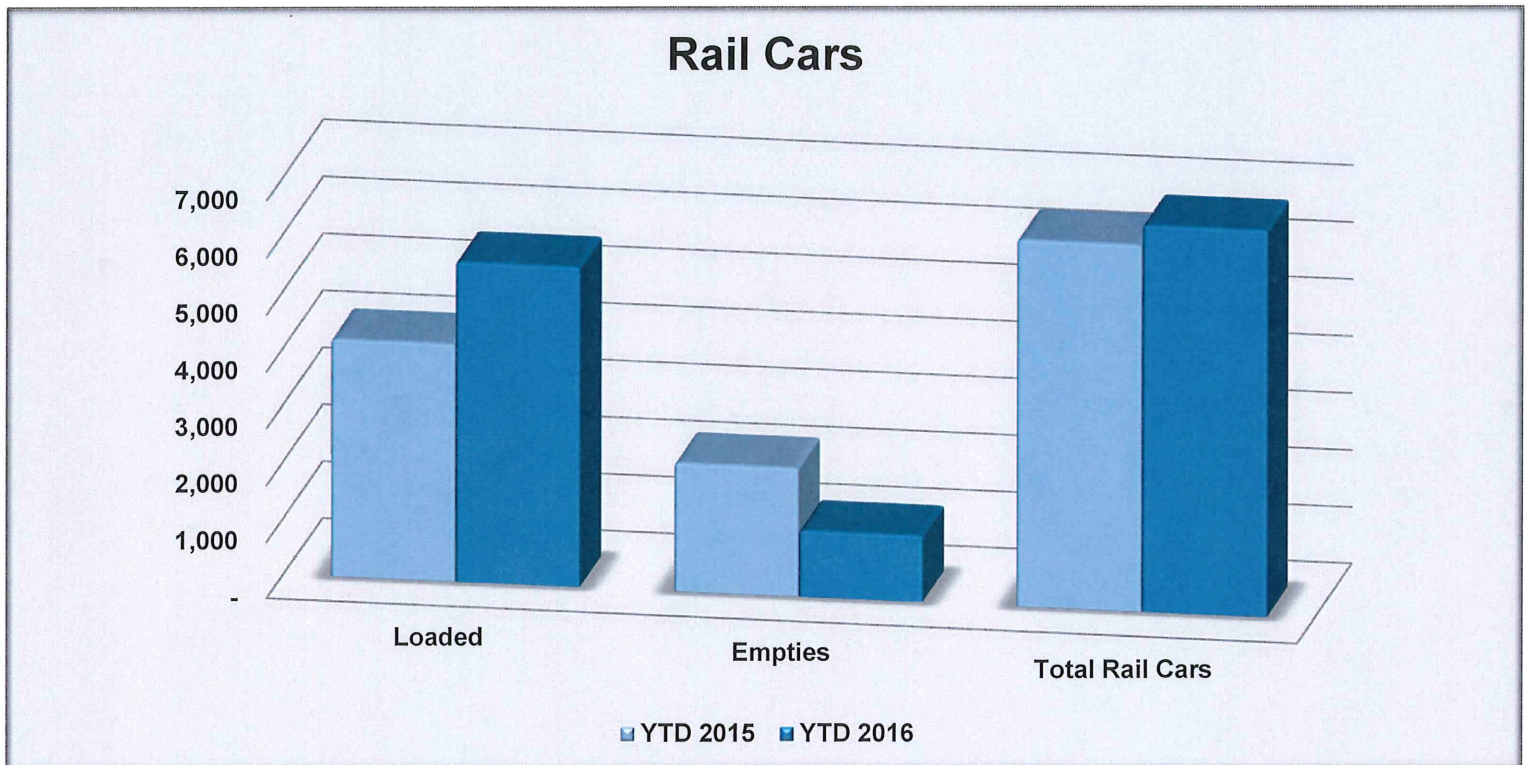


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

RAIL CARS

	May		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Loaded	1,284	214	1,070	500%	5,631	4,182	1,449	35%
Empties	251	398	(147)	-37%	1,181	2,275	(1,094)	-48%
Total Rail Cars	1,535	612	923	151%	6,812	6,457	355	5%

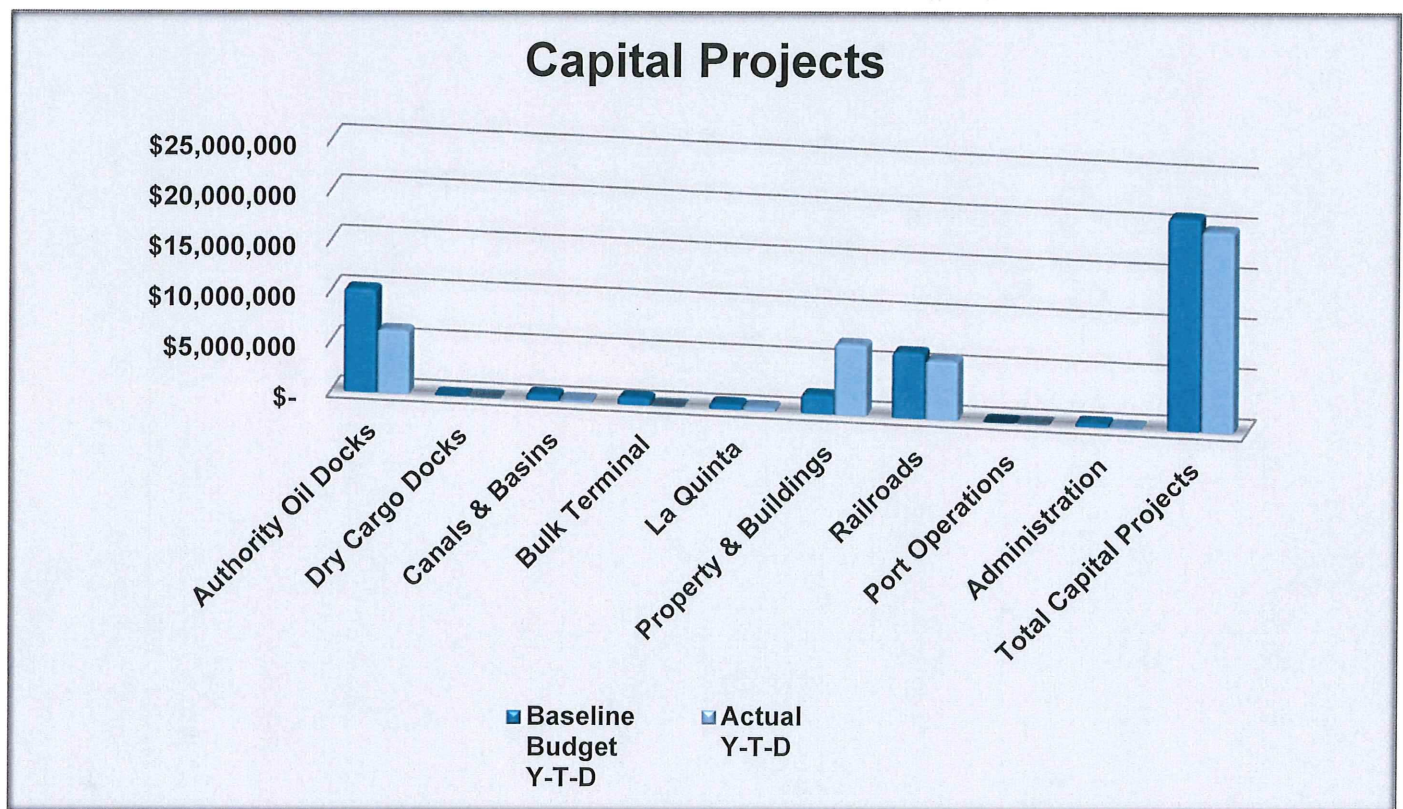


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

CAPITAL PROJECTS

	Annual Budget	Actual Y-T-D	Balance Remaining	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	\$ 13,530,000	\$ 6,314,521	\$ 7,215,479	\$ 10,260,000	\$ 6,314,521	\$ (3,945,479)
Dry Cargo Docks	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 60,000	\$ -	\$ (60,000)
Canals & Basins	\$ 23,996,321	\$ 213,665	\$ 23,782,656	\$ 652,600	\$ 213,665	\$ (438,935)
Bulk Terminal	\$ 5,397,500	\$ 6,595	\$ 5,390,905	\$ 767,500	\$ 6,595	\$ (760,905)
La Quinta	\$ 9,637,500	\$ 355,078	\$ 9,282,422	\$ 562,500	\$ 355,078	\$ (207,422)
Property & Buildings	\$ 36,196,305	\$ 7,049,974	\$ 29,146,331	\$ 1,870,000	\$ 7,049,974	\$ 5,179,974
Railroads	\$ 17,110,000	\$ 5,848,365	\$ 11,261,635	\$ 6,520,000	\$ 5,848,365	\$ (671,635)
Port Operations	\$ 1,086,000	\$ 16,900	\$ 1,069,100	\$ -	\$ 16,900	\$ 16,900
Administration	\$ 1,355,000	\$ 128,297	\$ 1,226,703	\$ 410,333	\$ 128,297	\$ (282,036)
Total Capital Projects	\$ 109,508,626	\$ 19,933,395	\$ 89,575,231	\$ 21,102,933	\$ 19,933,395	\$ (1,169,538)



PORT OF CORPUS CHRISTI AUTHORITY

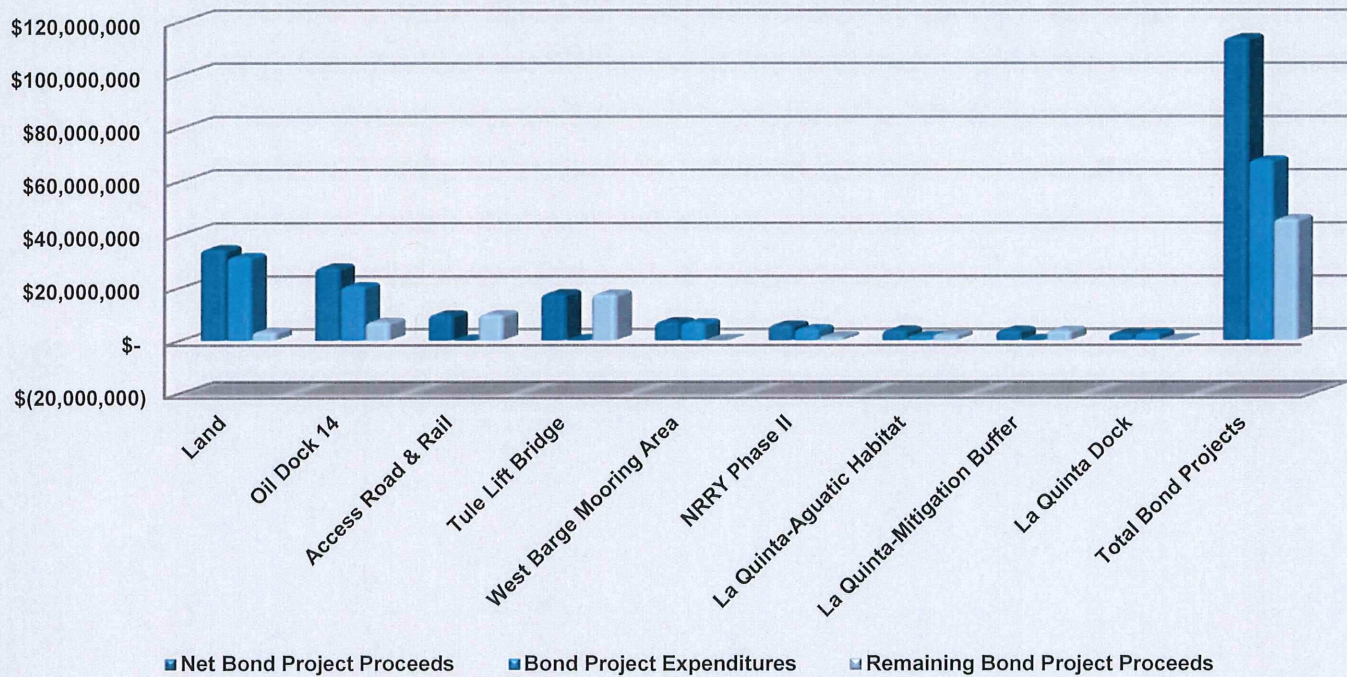
FINANCIAL RESULTS

BOND PROJECT PROCEEDS - (As of May 2016)

	Bond Project Proceeds	Bond Issuance Expenses	Net Bond Project Proceeds	Bond Project Expenditures	Remaining Bond Project Proceeds
Land	\$ 34,960,000	\$ 346,544	\$ 34,613,456	\$ 31,643,978	\$ 3,431,387
Oil Dock 14	\$ 28,000,000	\$ 277,552	\$ 27,722,448	\$ 20,600,325	\$ 7,122,123
Access Road & Rail	\$ 10,000,000	\$ 99,126	\$ 9,900,874	\$ (19,414)	\$ 9,920,288
Tule Lift Bridge	\$ 18,000,000	\$ 178,426	\$ 17,821,574	\$ 132,901	\$ 17,688,673
West Barge Mooring Area	\$ 7,280,000	\$ 72,164	\$ 7,207,836	\$ 6,745,927	\$ -
NRRY Phase II	\$ 6,000,000	\$ 59,475	\$ 5,940,525	\$ 4,469,347	\$ 1,471,178
La Quinta-Aguatic Habitat	\$ 4,020,000	\$ 39,849	\$ 3,980,151	\$ 1,685,191	\$ 2,294,960
La Quinta-Mitigation Buffer	\$ 3,940,000	\$ 39,055	\$ 3,900,945	\$ 18,874	\$ 3,882,071
La Quinta Dock	\$ 2,800,000	\$ 27,755	\$ 2,772,245	\$ 2,670,038	\$ 102,207
Total Bond Projects	\$ 115,000,000	\$ 1,139,946	\$ 113,860,054	\$ 67,947,167	\$ 45,912,887

NOTE: Remaining bond proceeds from the completed West Barge Mooring Area project of \$491,809 have been transferred to the Land Acquisition project

Bond Project Proceeds (As of May 2016)



AGENDA ITEM NO. 14.b

**Comments from
Port Commissioners**

NO ATTACHMENT

AGENDA ITEM NO. 15.a

Executive Session

NO ATTACHMENT

AGENDA ITEM NO. 15.b

Executive Session

NO ATTACHMENT

AGENDA ITEM NO. 15.c

Executive Session

NO ATTACHMENT